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The Nation's Business

He Speaks For All Canada

J. G. Diefenbaker, M.P. for Lake Centre, Saskatchewan, voiced the views of hundreds of thousands of Canadians when he said last week in the House of Commons:

"We want action with regard to the matter of aircraft production. The country must be assured that the failures of the past will be rectified. It must be assured that anyone who today is hampering production in any of the departments, either through inefficiency or negligence, must go. After 18 months of war, the period of trial and error should be over. . . . In this life and death struggle there will be no second chance for our Empire. Excuses for non-production of airplanes or other munitions of war will avail nothing when the test with Hitler arises.

"Today people are making demands. They are asking us—and that is why we are here—to get assurance that the maximum war effort of which this country is capable shall be given. They are asking for a maximum, measured not in terms of amounts but rather in amounts coupled with effectiveness and efficiency. The people of Canada want to help. They want the facts. They are prepared to face those facts, and if mistakes have been made they want to know that those mistakes have not been and will not be condoned.

"Let us all in a spirit of co-operation and calm deliberation meet this challenge to our very liberties and our lives; and when a course is decided upon or when changes must be made in the interests of the state, let us proceed to carry out those plans ruthlessly and with determination."

Presumably most of Mr. Diefenbaker's 244 colleagues in the House (who are paid a million dollars a year for their services) feel likewise. But very few of them have spoken.

An honest expression of their opinion without recourse to politics or party label would be the most refreshing and vital thing that has happened since war broke out.

It would do more perhaps than anything else to give Canadians confidence in government leadership.

Is it too much to expect?

* * *

OUR GREATEST DOMESTIC PROBLEM

Parliamentary debate at Ottawa this week reveals wheat as Canada's greatest domestic problem. Hundreds of millions of dollars badly needed for prosecuting the Nation's war effort are already tied up in unmarketable wheat. All available storage is jammed and western farmers are now preparing to sow another crop under the most favorable moisture conditions in years.

The problem is not simple.

Our prairie economy is largely based on wheat. Throughout wide sections of Manitoba, Saskatchewan and Alberta, soil, climate, transportation facilities and the skill of the people themselves are geared to wheat. Normally the growing of this crop proves profitable to the whole country, but times today are far from normal.

The pre-war export market in western Europe has shrunk to the war demands of the besieged British Isles. For Canada this can mean an annual outlet for little more than 150 million bushels. Last year we grew over 560 million bushels and we may easily repeat that performance in the coming summer. Home consumption for all purposes is not more than 125 million bushels.

Already the Canadian Government has bought in surplus wheat to the tune of $350 millions and is making arrangements to take the balance of the unsold 1940 crop still in farmers' hands. By the end of the current crop year next summer the Government's wheat commitment will be at least $400 millions. On this unsold wheat, storage charges are accumulating at the rate of well over a million dollars a week. This is greater than the pre-war debit charges on the Canadian National Railway. It is far too big a burden to superimpose on staggering and still soaring war costs.

Canada cannot afford to scrap its wheat growing machinery. After the war the world will again turn to Canada for its bread and we will benefit from it doing so. But neither can we afford to expand our wheat growing machinery and especially at a time when markets are seriously restricted.

Yet this is exactly the course we have been following since war broke out.

Last year Ottawa guaranteed 70 cents for every bushel of No. 1 wheat farmers could deliver to Fort William. As a result wheat acreage expanded to record proportions, expanded indeed into marginal land never intended for such a crop. A substantial share of the nation's income had to be diverted from the war effort to carrying an unwanted commodity. Many people who might better have been employed in war factories plowed up ground that might better have been left in grass.

Means must be found and found quickly of checking this drain, lest wheat, not Hitler exhaust our national credit.

* * *

MACMILLAN REPORT NEEDS EXAMINATION

One of the most amazing developments of the Parliamentary session at Ottawa is the failure to realize that the report of H. R. MacMillan, chairman, Wartime Requirements Board, is a severely critical document.

For the reason that Hon. C. D. Howe tabled all of the report except the section dealing with guns, and had it printed in the Votes and Proceedings of Feb. 27, it seems to have been assumed that it was a favorable document. Actually, no more censorious document has been tabled in Parliament for many years. The section dealing with guns is reported to have been equally if not more condemnatory.

Here are some points in the report which members appear to have overlooked:

Shell plants are not now being used to capacity. We are not making as many shells as we could make if the producers were given larger contracts. No explanation is given by Mr. MacMillan for the failure of the Government to use our existing plant to the limit.

Bomb production is being delayed because of lack of orders. Producers, says Mr. MacMillan, are being held up because of lack of information as to when and where orders will be placed and when machine tools will be delivered.

Machine tool production is not satisfactory. Home production supplies about 20% of war needs and the balance comes from the United States. Canadian deliveries are worse than United States deliveries. Only 70% of the tools on contract for delivery in December were delivered on time. "It is doubtful if all the machine tools needed for important operations, such as guns, tanks, aircraft, and increased ship production are yet ordered."

Deliveries of small tools and gauges are running two months late.

Cruiser tank production is in a very disappointing condition. The production of armor plate may be delayed. The engines have not yet been purchased. The transmissions have not yet been ordered. No drawings have been received for gun mountings. Machine tools are not yet all ordered. If cast steel is to be used, the drawings are not yet complete.

The valentine (infantry) tank job is also being slowed down by slow deliveries or armor plate and steel castings. Some components have not even been arranged for.

These are statements that have now been placed on the public record and which were made by the chairman of a committee which includes some of the ablest and most important officials in the Government service. It might have been assumed that a report of this

(Continued on page 2, col. 3)

Wheat Plan Costs Nation $350 Million

War Work Threatened By Huge Diversion of Nation's Credit — Rivals C.N.R.

From Our Own Correspondent

OTTAWA.—The Canadian Government has some $350 millions tied up in wheat and this total will be increased to $400 millions by the end of the crop year next July 31. Storage charges are mounting at the rate of over a million dollars a week, or a drain on the public treasury more than equal to the prewar deficit on the Canadian National Railways.

The wheat investment to date is completely frozen, with no hope of any real liquidation until after the war, in the opinion of competent observers. Detailed study of the situation, preparatory to declaring the policy for the 1941 crop, has revealed wheat as Canada's number one domestic problem.

It is important to remember that Hon. J. L. Ilsley, declaredly, did not include a dollar for wheat in his estimate of Government expenditures for the coming fiscal year, and his estimate of $2,333 millions already accounts for almost 45% of our national income.

The facts with respect to wheat are as follows:

$400 Millions Frozen

The carryover as at July 31, next, will be 575 million bushels which, at 70 cents per bushel, represents a cash investment by the Government of $400 millions.

It is impossible that this huge surplus can be reduced in 1941-42 (July 31) for reasons which will be given. Therefore the Government must pay the interest on the investment plus storage, insurance and other charges which work out at about 10 cents per bushel per year. This means a Government expenditure of $57.6 millions.

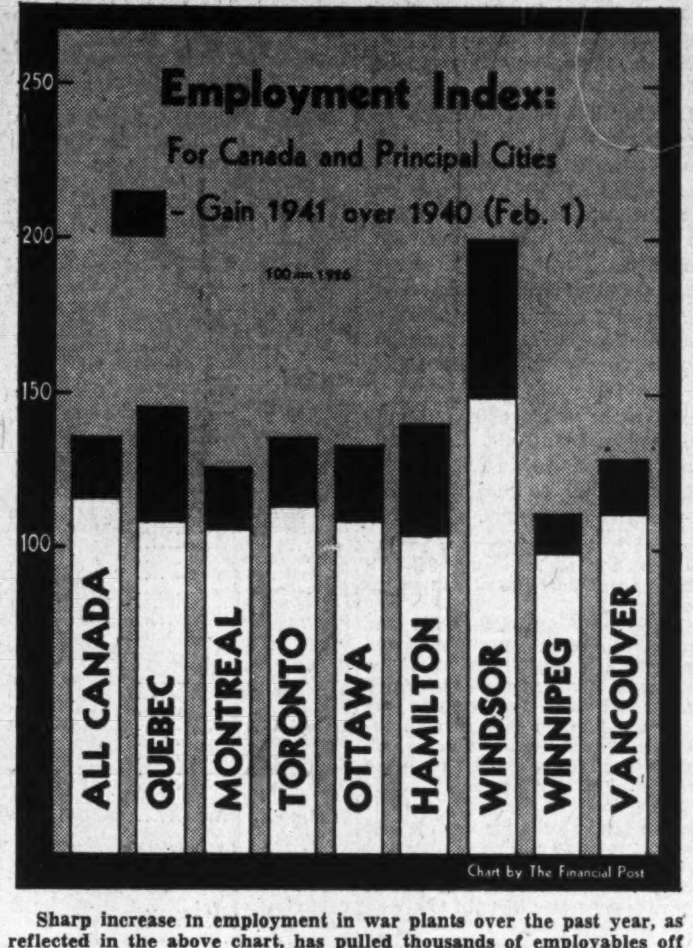
A normal crop on the present wheat acreage should yield over 400 million bushels this year and after deducting all possible sales, the residue will increase the surplus at July 31, 1942, to 726 million bushels, on

(Continued on page 2, col. 3)

Mount Royal's Net Doubled

From Our Own Correspondent

MONTREAL.—Mount Royal Hotel for the 11 months to Nov. 30 last reports net revenue of $279,146, against $146,422 for all of 1939. After full provision for reorganization expenses, bond discount and interest on first mortgage bonds, net profit of $57,327 compared with loss of $88,726 in previous full year. All interest charges and taxes are paid up to date. Net working capital at Nov. 30 last of over $30,000 compared with a deficit of over $364,000 at the close of 1939.



Sharp increase in employment in war plants over the past year, as reflected in the above chart, has pulled thousands of employables off the jobless relief rolls. The last reported total of 45,000 employables still on relief is only about a third of the figure of a year ago.

M. P. Digs Out Facts On Airdrome Project

By STAFF WRITER

OTTAWA.—The probe conducted at the instance of Air Minister C. G. Power into construction contracts for the R.C.A.F. airdrome near Dartmouth, and the forecast of an early report to Mr. Power and the Government, have aroused considerable interest on Parliament Hill.

As reported by The Financial Post last week, an investigation into certain contracts was undertaken several months ago by W. N. Tilley, K.C., Toronto lawyer, at the direction of Mr. Power. Mr. Tilley's final report and findings have not yet been submitted but are expected shortly. A statement to this effect was made in the House of Commons late last week by Defense Minister J. L. Ralston, in answering an Opposition question in absence of Air Minister Power.

Data Given House

Meanwhile, information indicating the extent of the project and the scope of certain phases of the work allotted to one contractor, has been made available in returns filed in the House.

In reply to a recent query by P. C. Black, Conservative M.P. for Cumberland (N.S.), it was stated that the total estimated cost of completing all works undertaken or required at the airdrome amounted to $3,092,432.

This total includes cost of buildings and allied work, as well as excavating, clearing and grading of sites, grading and surfacing of runways, etc. Total cost to date of all works undertaken at the airdrome was set in the return at $2,255,488.

Cost-Plus Contract

The same return reported that a cost-plus contract for shaping, surfacing and drainage of runways and gravelling of shoulders was awarded to Acadia Construction Co. on Oct. 6, 1939, and replaced by a revised contract Jan. 25, 1940. The departmental estimate of the cost of performing the work was stated to be $650,000.

To date, the return reported, the contractor had been paid $923,603 and $100,396 remains to be paid. The work was stated to be 90% completed.

The original contract was revised, the return explained, because difference of opinion had arisen as to the correct interpretation of certain provisions in the original contract. This statement was in reply to questions as to whether any amount claimed by the contractor had been disallowed by the Government, and the nature of any such claim.

Old Contract Rescinded

It is not stated whether additional work beyond the original deal is provided for in the revised contract, or covered by the $374,000 paid and to be paid in excess of the estimated cost. A question as to whether a supplementary contract was awarded is answered "No," with the added

(Continued on page 2, col. 6)

U S Gasoline Import Ban Is Mooted

Would Not Affect Distributors with Refineries Here in Canada

Plans for requiring oil companies without their own refining facilities to import their supplies from sterling areas are being worked out by Canadian officials, The Financial Post learns.

This would not apply to imports of crude oil except in so far as supplies and shipping are available.

After eight months as Canada's oil controller, G. R. Cottrelle found it necessary to have certain changes made in his powers. As embodied in a recent order-in-council, these changes give the controller power to:

1. Appoint deputies to carry out desired jobs.
2. Set both maximum and minimum prices.
3. Set standards and grade for gasoline, determine marketing methods, etc.

The first added power has already led to appointment of J. L. Stewart, Toronto, as deputy oil controller. It could go farther. The controller is already in close co-operation with authorities in the various provinces. He could readily deputize any of these to do specified jobs for him.

With regard to establishment of standards of gasoline and marketing methods, it is conceivable that the interests of economy might require that only one or two grades of gasoline should be sold in Canada. Brand names might remain but the gasoline they called for would be identical with that sold under any other name for the grade specified. So far this is largely speculation.

This section could also conceivably lead to strong persuasion in the matter of marketing economies, particularly the retail end of the business. Duplication of service stations and personnel has already been halted by an early order.

Completing Survey

A survey of Canada's crude oil refining capacities, started by the controller when he first assumed office, is nearing completion. Indications are that, allowing for expansion under way or authorized, such as the new B. A. Oil plant near Toronto, there is adequate refining capacity available in eastern Canada.

Plans are nearing completion whereby imports of "white products," that is refined gasoline required by those not having refining facilities of their own, will be obtained from producers in the sterling area. This probably means Trinidad, the only important British-owned source of crude oil in this hemisphere outside of Canada. Such a move would relieve the strain on our supply of U. S. dollars.

South American Crude

Much the same consideration is likely to govern added use of crude oil from International Petroleum's

(Continued on page 4, col. 4)

Lease-Lend Affects Canada's War Plans

But Canada Unlikely to Accept Immediate Financial Aid Under Uncle Sam's Bill — May Float U. S. Loan First

From Our Own Correspondent

OTTAWA.—Passage of the Lease-Lend bill by the American Congress will merely speed the policy already in force of co-ordinating Canadian and United States industry with the object of speediest and maximum war aid to Britain, according to the responsible Ottawa opinion. The origins of this policy lie in the Joint Defense Agreement of last August, and it will likely reach its fulfillment in the coming months.

Neither Ottawa nor Washington expects Canada to become a borrower under the bill, at least in the near future.

Canada will continue to concentrate on those war materials not largely nor conveniently available in the United States. This means small arms, explosives, motor transport, small military equipment, surplus domestic foodstuffs like wheat and bacon. The United States Government, on the other hand, will buy from its own producers or take from its own military and naval reserves and turn over to Britain, tanks, airplanes, heavy guns, ships, both naval and merchant, possibly key food products like lard and canned goods or other needed items not available in Canada.

The plan is not expected to upset present well-established production in Canada but may switch some prospective orders for new equipment like tanks, heavy guns and war vessels to American factories.

No Liquidation of Investments

Financially Canada is not expected to be affected, at least in the immediate future. To become a borrower under the bill Washington might expect this country to first liquidate some Canadian investments south of the line. Canadian authorities are understood to be strongly opposed to such a step, would rather float a straight loan in the United States, with no strings attached.

Canadian restrictions on non-war imports from the United States and further plans along this line to conserve foreign exchange for the purchase of key war materials not made here are considered satisfactory and The Financial Post is informed from Washington this week that the U. S. Government has no intention of interfering with this policy. When the plan of restricting American imports was first broached by Ottawa last year, it is understood there was some objection by Washington, but after negotiations and revision a complete agreement was reached.

British Buying in Canada

The questions raised for Canada in the Lend-Lease bill are twofold:

(1) Should Canada come under its terms and become a borrower of war materials?

(2) Should Britain transfer procurement of materials now obtained from Canadian sources to the U. S. A.?

The latter aspect is more important than appears in the congressional debates, for a last-minute amendment to the bill as it left the U. S. Senate added agricultural commodities to the definition of war materials eligible for transfer.

Though no official comment has been made, it is understood that a prior arrangement has been discussed by which Britain will continue to obtain wheat and foodstuffs in Canada as before in whatever items we can supply.

In the not-distant future, it is believed, the nature of British procurement in the United States will shift from the cash basis existing up to now, which has stripped British sources of gold and exchange, to a straight lend-lease basis.

As this shift occurs, Britain's gold sources, steadily supplemented from Empire production, will remain available to Canada. For this reason, no substantial change is expected in Canada's trade dealings with the United States, though obviously a period of difficulty may arise in the transition period. There are practical limits to the extent to which British assets can be liquidated in

(Continued on page 2, col. 7)

1941 War Cost Swells Again

From Our Own Correspondent

OTTAWA.—Canada's spending on war account alone in the 1941-42 fiscal year, by the latest totting up by Hon. J. L. Ilsley, will run to $1,450 millions. This contrasts with the original $1,300 millions estimated in the war appropriation measure before Parliament.

The higher figure is the Treasury's compilation of accounts submitted from all departments up to Jan. 31 last, as adjusted by various additions and deductions up to early this week. Revisions are constantly under way, as departments report changes to the Treasury.

The latest estimate of actual expenditures for 1940-41, up to Jan. 31, is $538.8 millions, a figure that is expected to go to $875 millions. This compares with the original estimate made last year of $700 millions.

Mr. Ilsley explained that he was content to let the vote for the coming year stand at $1.3 billion, since there was undoubtedly some overlapping between munitions items and Defense Department items that could not be clarified at this stage. Also, actual costs in the coming year would depend on the course of the war and on actual deliveries of material.

War costs are spreading into virtually all departments of government. Mr. Ilsley's estimate of war costs to be incurred by what are normally non-war departments is $33,481,461 for 1941-42, compared with $18,540,000 actual war costs in such

(Continued on page 2, col. 4)

The War And Business . . A Weekly Round-up

National Arithmetic

Reduced to terms which the man in the street can understand the Government's financial programme for 1941-42 (as now stated) looks like this:

Revenue for the current fiscal year is running at the rate of $775 millions, but increased to $850 millions because of income tax prepayments.

Since most big tax increases applied to only part of the year, current tax rates if applied in the next fiscal year should yield about $1 billion.

Expenditure for war and other purposes at least $2¼ billions.

The gap of $1¼ billion between revenue and expenditure will (it is hoped) be met as follows: Raised by war loans, $1 billion. Raised by increased taxation, $250 millions.

In short, the Government must up taxes at least 25% in order to balance its books.

* * *

These figures may be considered to put the very best face on the Government's financial programme.

Difficulties and contingencies that may alter this picture adversly include:

The possibility that war costs may rise higher than the estimate of $1,450,000.

The possibility that Canada's commitments on U. K. account may exceed $400 millions.

The Government's as yet unknown liability on wheat account.

* * *

Canned Goods for U. K.

Reports that the United Kingdom would import canned foods from the United States under the Lease-Lend Bill, provided transportation could be arranged, are understood to refer only to products which cannot be obtained in Canada. At present the only canned food leaving the Dominion for England in quantity is canned salmon, other products being exportable only under license.

Adjustment to the loss of the U. K. export market for Canadian canned goods generally, which amounted to as much as $15 millions in good years, has been aided by a low pack in 1940. Particularly in tomatoes, largest item in former exports, a poor 1940 crop and rising domestic consumption indicate that there will be little, if any, carryover into the 1941 packing season. A surplus of canned peas will probably be absorbed by switching of demand from scarcer corn.

* * *

Canadian canning men have not been notified of any general relaxation of export restrictions to date. A British offer to purchase 1.2 million cases of tomatoes at $1 per dozen tins has not yet been acted on as the price may be too low in view of rising labor costs.

If Canada is to resume exports, decision to that effect should be made by April 1 for tomatoes, and not much later for other vegetables, in order that acreage may be contracted for and a supply of seedlings assured. Barring such advance preparation, export surpluses would only be available in the event of an unusually productive season, a possibility made more remote by an increasing shortage of labor.

* * *

The shorter growing season in Canada results in a less flexible annual production of agricultural products than in the United States. As a result, it is possible that if plans for the shipment of canned foods are not brought to an early decision, U. S. exporters will fill a role that could have been performed by Canada.

Fact that Canadian producers have not been approached is regarded by some as indicating that publicity about a U. S.-U. K. food deal may be a trial balloon, aimed at mobilizing U. S. farm opinion in favor of using U. S. ships in transatlantic service. Original reports of the scheme emphasized that by this means Britain could absorb the entire U. S. farm surplus.

* * *

Less Chaotic?

A few days ago in Hansard, Hon. C. D. Howe put on the record a "family tree" of the organization of this Department of Munitions and Supply. The chart shows some 12 or 15 directors general or joint directors general who are ostensibly responsible directly to the deputy minister or to the minister himself.

In practice most of these men report direct to the minister, not to the deputy. Apart from periodic conferences with Mr. Howe they work away in their "cells" (and work very hard at that) but have little opportunity for liaison with the other spending and production departments.

The comment of competent persons both within and without the organization, who have studied the "chart," and who have some knowledge of the personnel and the way it works, is that Mr. Howe was for once guilty of gross understatement when he stated in the House in respect of one particular division (aircraft) that "gradually the situation is getting less chaotic and more systematized." One official bluntly termed M. and S. a "madhouse."

Such an admission by the Minister himself seems to justify much of the criticism that has been made of his department.

* * *

Aid to Britain

Further aid to British exporters by way of additional tariff concessions is expected at the forthcoming budget.

Canada is vitally concerned about helping Britain sell more goods here so as to provide more exchange to pay for our foodstuffs and war materials exports.

In 1940 Canada's average imports from U. K. were about $13 millions monthly. In the two previous years the total was only about $10 millions. January figures were higher at $14.2 millions.

Lack of shipping and the switch from peace to war industry in Britain are the two reasons why a decline in 1941 is feared, despite the tariff aid granted in the Dec. 2 budget.

In any event, Canada will probably move to stimulate British sales by increasing the preference on British goods and possibly putting more goods on the free list.

* * *

C.I.L. Report

War's impact on Canadian Industries, Ltd., is shown in the company's illuminating report issued this week. Two highlights:

At Dec. 31, 1940, number of employees was 5,355, an increase of 23% over 1939. In addition the company's wholly owned war subsidiary, Defense Industries Ltd., had 4,200 persons employed including 900 trained men and women loaned from the parent company. Other companies managed by C. I. L. increased employment 22% to 1,500.

In 1940 less than 1% of C. I. L. sales went to Defense Industries Ltd. Another 1% direct to Canadian and British Government bodies.

* * *

Britain's Dilemma

Most discussion of Britain's financial difficulties (that is exhaustion of her assets and buying power in the United States) overlooks the fact that the present emergency has arisen partly because of the collapse of France.

Britain took over $700 millions of unfinished French orders but did not acquire any of the French assets which were to pay for the material.

The result was to bring Britain just $700 millions nearer to the bottom of the barrel.

Britain expected to be able to finance all its purchases on its own account until 1942, but taking over the French business brought the financial crisis on early in 1941.

* * *

Gold From U. K.

Extent to which Canada can hope to obtain gold shipments from U. K. to enable us to meet our debit balance on U. S. account is now under discussion. Such shipments totalled $225 millions from Sept. 1939 to Dec. 1940.

Britain has made commitments in the U. S. on her own account which may require all available resources. This may mean that Canada will not get much gold from Empire sources in 1941.

By 1942 the situation should be changed with the burden on Britain eased and the Empire again able to pay Canada in gold for at least part of her war contribution. This suggests 1941 is the critical year.

Lack of Plans Restricts Aircraft Plant Output

Intimation of Hon. C. D. Howe that Malton aircraft factory of National Steel Car Corp. should be fully occupied is not borne out by official information obtained by The Financial Post. At present, it is stated the plant is only running at one third capacity and even this pace may have to be reduced.

Mr. Howe stated that the company had received aircraft orders for $19.8 millions, had delivered finished products to the value of $3.9 millions, leaving approximately $16 millions of unfinished orders on the books. The Post is informed that the latter figure is about $3 millions too high.

In any event, it is stressed that the amount of unfinished orders largely reflects the fact that in many cases final plans have not been received. Without them a start on such work is impossible.

"Canada and the United Kingdom determine the speed this plant should run," The Post was told. "This they did over a year ago. If they would authorize a greater number of jigs it would be possible to speed up production. All that we are doing now is running a jobbing shop, with very short runs which definitely limit production."

Lysander Order

Lysanders for the Canadian Government have been completed ahead of schedule, The Post is informed. They have been delivered to the Government and are awaiting engines, which are to be supplied by the purchaser. Of the Lysanders for Great Britain 30% of the order is reported completed. The machining end of the job is nearly finished but the fabricating or bench work is in different stages of completion with the company unable to go beyond a certain stage of the assembling.

The delay is due to the number of changes that have had to be incorporated, changes that were still coming into the company's office up to a fortnight ago. These are being studied with the view to making them without serious interfering with current operations.

Current runs are being kept short, The Post is informed, because if production were speeded up on that portion of contracts that are ready to fill, the factory would face idleness before new orders were in sight. In fact to keep in continuous operation and to hold its skilled workers it may be necessary to spin out present orders still further with shorter shifts of work.

Total capacity of the Malton aircraft plant is estimated, at present values, at about $36 millions of output a year. Backlog of all present orders, with or without final plans, is estimated at less than half this amount. Present business could be cleared up in less than six months if no further changes were made in design of the various types of plane under construction.

Approximately 2,300 men are working at the plant at present in two 10-hour shifts. At full capacity 3,500 men could be employed in each of these two shifts and probably more if three shifts of eight hours were adopted.

Make Sure You See—

First War-Year and Life Insurance

Good Citizenship—p. 13.
Life Insurance Feature Section—p. 13-19, 23.

New Workers for War

Plant Training Plan Swells Payroll—p. 9.

Rent Control and the Housing Problem

What's the Matter With Rent Control?—p. 24.

Another $25,000 for Canada's Mines

Puts Two-thirds in Gold—p. 23.

Hat News from EATON'S

Stetson 'Playboy'

A favoured hat among the well-dressed men who prefer a light weight fur felt for Spring and Summer wear! Noted for its shape-retaining features. It comes in new Spring shades . . Cactus Green, Nassau Blue, Viking Grey, Sepia Brown. Sizes 6¾ to 7⅝. EATON Price, each

6.00

Main Store—Main Floor

T. EATON Co. LIMITED TORONTO CANADA

N.S. Reports Peak Surplus

Revenue Exceeds Expenditure by $946,338 in 1940

Surplus of $946,338, highest in the history of the province, is reported by Nova Scotia in the year ended Nov. 30, 1940. In the preceding year, a deficit of $193,791 was shown, after providing for sinking fund installments.

Revenue and expenditure both set an all-time high for the province. The former totalled $13.6 millions, and the latter, $12.6 millions.

The Government had budgeted for a deficit of $193,243, but unexpectedly buoyant revenue brought about the record surplus.

Revenue was estimated at $12.8 millions, and expenditure at $13 millions.

Liquor Profits Gain

Greatest gain in revenue was shown by profits from Government liquor sales. Profit of $2.3 millions was reported for the year, an increase of $564,425. All revenue, with exception of succession duties, improved over the year ended Nov. 30, 1939.

Total ordinary expenses increased by $154,021 to $12.6 millions.

Revenue and Expenditure
Years Ended Nov. 30

	1940	1939
Revenue:	$	$
Subsidy & grant	1,953,048	1,953,048
Succession duties	550,057	557,221
Motor licenses	1,362,517	1,259,161
Gasoline taxes	2,875,400	2,608,189
Corporation taxes	1,364,257	1,169,170
Liquor profit	2,257,382	1,692,957
Mineral royalties	812,755	695,502
Other revenue	2,415,651	2,361,669
Total	13,591,067	12,296,917
Expenditure:		
Attorney-general	205,094	209,222
Education	1,445,316	1,411,336
Highways & pub. wks.	4,596,367	4,436,659
Agriculture	378,271	331,604
Public health	2,518,032	2,458,796
Prov. secretary	90,926	77,829
Prov. treasurer	2,114,160	2,014,194
Public service	296,546	247,750
Mines	189,998	216,038
Labor	271,989	628,444
Industries	2,868	234
S. F. instalments	535,162	458,602
Total ord. exps.	12,644,729	12,490,708
Surplus	946,338	*193,791

*Deficit.

Debt Position
At Nov. 30

	1940	1939
	$	$
Gross funded debt	105,122,647	104,917,513
Less: Sinking fund	8,655,366	7,789,708
Net funded debt	96,467,281	97,127,805
Bank overdraft	2,024,642	1,123,978
Accts. payable	937,943	1,218,505
Conting. liabs.	3,733,278	4,197,987

Quebec Catholic Schools

Private purchase of $388,000 in debentures of the Quebec Catholic School Commission has been confirmed to the firms of Clement, Guimont, Inc., and Dube, Leblond & Cie., at 98.25. The issue consists of $69,500 in 4% one- to five-year debentures and $318,500 in 4¼% six- to 10-year obligations. Funds will be used for school construction and repairs.

The Nation's Business

(Continued from page 1)

nature would have caused nation-wide repercussions. Actually it seems to have caused little more than a ripple of interest except in regard to aircraft which is the one branch of munitions production which has been publicized in the public press. So far, few of the obvious questions arising out of the report have been asked.

* * *

It is time Parliament examined the MacMillan report and its implications more closely.

Such examination is important not for what it might disclose that would be critical of Government policy but in order to see how, and where, essential improvement in Canada's war effort can be effected.

This is the only sound premise for examination of the Government's war effort. Unless there is critical examination of this sort, it is certain that Canada will not put forth the maximum effort of which she is capable.

If the MacMillan report can be taken at its face value (and no one has yet suggested that it cannot) the situation in war production is such as to cause grave concern. It is sufficient in itself to prove beyond any possible doubt the wisdom and urgency of the view expressed week after week in these columns, namely the need of a non-political "general manager" of the Sir Joseph Flavelle type who has both the competence and the authority to correct these weaknesses.

Such a man would have authority to make whatever changes in organization may be needed, to get more effective results. He would also demand and require authority (under Mr. Howe) to make whatever changes in personnel duties and responsibilities were necessary to get the job done with the utmost speed and efficiency.

Wheat Plan Costs Us $350 Millions

(Continued from page 1)

which the carrying charges would be $72.6 millions costs.

These figures were made public by D. G. McKenzie of the advisory committee of the wheat board. They prove that given no curative action, the wheat problem will become progressively intolerable. Moreover the figures are based on most conservative estimates. The crop this year, with favorable weather, might run from 100 to 200 million bushels above normal.

The effect of wheat policy on prairie economy is very marked. In Saskatchewan wheat represents close to 75% of the total income from agriculture. It is lower in the other two provinces.

Was Loss of $61 Millions

Efforts at Ottawa to frame a policy have been confined within very narrow limits by these iron-clad facts. The price paid on the 1939 and 1940 crops was 70 cents per bushel plus one half cent per bushel per month on farm stored wheat from the 1940 crop. The final outcome on these crops is still uncertain since huge stocks remain unsold. But on the 1938 crop, for which the price was 80 cents, the loss is given at $61,282,329 in the Wheat Board annual report.

With every available nook and cranny of storage capacity occupied and only some 40,000 bushels of the new space now being built available for the 1941 yield, it will only be possible for farmers this year to replace in storage the amount of wheat which is sold for export or home consumption. The estimate here is that Canada will consume, in addition to farm stocks for seeding and feeding, some 50 million bushels and sell 180 million abroad, chiefly to the United Kingdom. And this export figure is generally thought to err on the optimistic side.

If the Dominion retains the 70 cent price—and any advance on it without production controls would appear to be madness—prairie farmers would net only 50 cents on 230 million bushels or $115 millions.

Say Prairies need $300 Millions

It is estimated that the minimum income essential for prairie farmers is from $300 to $325 millions, of which $175 millions will be derived from crops other than wheat. Most of the calculations are based on the higher minimum and, so taken, there would be $150 millions to be derived from wheat.

The 70 cent price would yield $115 millions and the proposal to increase the processing tax from 15 to 50 cents per bushel is one way of bridging the gap. Such a tax on domestic, human consumption of 50 million bushels would yield $25 million dollars, bringing the total wheat income up to $140 millions and the price to farmers to 80 cents, which would net them on the farm 60 cents per bushel. In addition, it is thought a somewhat better return than 70 cents can be obtained on the exports to Britain. The British, it is understood, are paying a price which should work out a few cents better than the minimum. In this way it is thought the minimum income could be brought up to the desired level.

Keep Living Costs Down

All this, of course, hinges upon a decision to restrict purchases to 230 million bushels and to increase the processing tax. It is learned that very influential elements in the cabinet are strongly opposed to the increased processing tax and its adoption is by no means certain. Opposition springs from a desire to avoid any increase in bread prices and living costs which would disturb the labor situation.

Other important political influences, centring largely in Saskatchewan, would prefer to see the price of wheat held below 80 cents. At this price the Prairie Farm Assistance Act ceases to operate and southern Saskatchewan is a beneficiary of this statute. The proposal of this group is to jack up the price as close to 80 cents as possible.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Lanark, County of	Mar.	Wood, Gundy & Co.	3½%	1942-46	$15,000	101.53	2.96%
Leaside, Ont.	Jan.	J. L. Graham & Co. (Privately)	3½%	15-ins.	34,844	....	....
Quebec Catholic School Comm.	Mar.	Clement Guimont and Dube, Leblond & Cie. (Privately)	4% 4¼%	1-5 yrs. 6-10 yrs.	69,500 318,500	98.25	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Yama Gold Mines	Mar.	....	6%	....	*$60,000	....	....
Consolidated Press	Mar.	R. A. Daly & Co.	4% 4½%	1942-46 1956	100,000 275,000	97.50	4.75%

*Each $100 par value debenture carrying a bonus of 25 shares of treasury stock.

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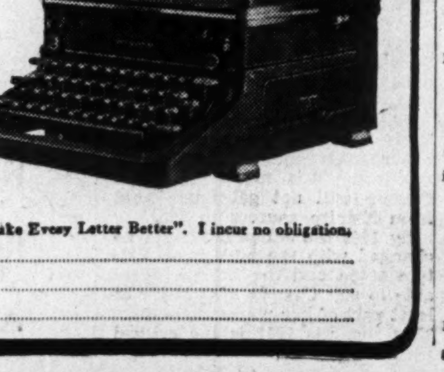

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Firm ________

Sask. Reports Revenue Gain

Provincial Deficit Smaller in Past Fiscal Year

Revenue of $23 millions is shown by public accounts of Saskatchewan for the year ended April 30, 1940, an increase of $2 millions over the previous year. Included in revenue for 1940 is Dominion subsidy of $3.6 millions, which is approximately $2 millions less than received by the province in 1938-39.

Expenditure on ordinary account totalled $23 millions, approximately $1.7 million greater than 1938-39.

Deficit on ordinary account, before relief, amounted to $45,000 in 1939-40, against $383,000 in the preceding year.

Net funded and treasury bill debt at April 30, 1940, totalled $196.1 millions, against $192.6 millions at the end of the previous fiscal year.

Revenue and Expenditure
Years Ended April 30

	1940	1939
Ordinary Revenue:	— In $000's —	
Dom. subsidy	3,632	5,262
Schools lands	1,132	844
Treasury	2,192	1,928
Education tax	2,716	2,342
Public revenue tax	2,155	1,355
Income tax	728	660
Corporation tax	735	495
Railway tax	404	404
Gasoline tax	3,000	1,876
Motor licenses	1,449	1,249
Traffic board	547	359
Succession duties	352	376
Natural resources	817	628
Liquor board	1,455	1,290
Other revenue	1,653	1,891
Total revenue	22,967	20,959
Ordinary Expenditure:		
Public debt	8,526	7,218
Public works	1,567	1,510
Highways	1,342	1,514
Education	3,931	3,962
Agriculture	1,258	927
Natural resources	551	542
Public health	1,673	1,615
Other expenses	4,164	4,054
Total exp.	23,012	21,342
Recapitulation		
Revenue	22,967	20,959
Expenditure	23,012	21,342
Deficit before relief	45	383
Relief costs	16,957	26,718
Capital	257	444
Agricultural aids	10	13
Telephones	2,282	2,201
	19,551	29,759

Debt Position
At. April 30

	1940	1939
	— In $000's —	
Gross funded debt	123,677	123,800
Treasury bills	88,077	82,638
	211,754	206,438
Less: Sinking fund	15,689	13,836
Net funded & treas. bill debt	196,065	192,602

Mexican Light Gets Receiver

National Trust Co. Acts For Bondholders — Reorganization in Offing

National Trust Co., Toronto, has been appointed receiver and manager for Mexican Light & Power Co. under an order made by Mr. Justice Middleton of the Ontario Supreme Court. The appointment was made as a result of an action brought by the trustees for the first mortgage bonds of the company.

F. R. MacKelcan of the National Trust Co. emphasizes that the appointment of a receiver and manager will in no way affect the carrying on of the business of the company.

The 5% first mortgage bonds of Mexican Light matured Feb. 1, 1940, and since then the company has paid 5% interest on the principal.

Reorganization Ready

Some time prior to the maturity date negotations for a plan of reorganization were started between the directors of the company, the National Trust Co. as trustee for the bondholders and a bondholders' committee in London, Eng. Outbreak of war delayed completion of these negotiations and it was only recently that an agreement was reached.

It is now expected that a plan of reorganization will be submitted to bondholders, probably within two or three months.

A writ was issued on behalf of the holders of $26,000 principal amount of the 5% bonds recently. Mr. MacKelcan states the receivership is to conserve the assets and cash of the company for the benefit of all bondholders and to prevent any individual bondholders from getting a preferred position by any action that might be started. All cash and other liquid assets of the company in Toronto, as well as its properties in Mexico, come under the control of the National Trust Co. to be used in the interests of the company and its bondholders.

Mexican Light & Power Co., directly and through subsidiaries, supplies light and power services to certain areas in Mexico with an approximate population of 1,700,000. President of the company is Miller Lash, K.C., Toronto. Much of the company's capital was raised originally in England and Belgium.

1941 War Cost Swells Again

(Continued from page 1)

departments up to Jan. 31. Biggest item is $7,877,550 for agriculture, a department operating war services such as the Agricultural Supplies Board, the Dairy Products Board, the Bacon Board, and other services rated as a cost of war.

Added protective services by the Royal Canadian Mounted Police on account of the war will cost $4,045,691 next year. Industrial training and other war services provided by the Labor Department are included in a war vote for Labor of $4,878,404.

The whole cost of the National War Services Department, $1,789,400, is carried as an item in the war account. The Post Office, operating extra war service to the armed forces through base post offices, will get an added $495,085 for the coming year.

Public Works, which must provide quarters for war administrations, is asking for $4,183,100 extra. The Finance Department, upon which extra duties rest in wartime, is asking an extra $2,034,513. Full explanations of war costs charged by non-war department were left by Mr. Ilsley to the ministers concerned.

ESTIMATED WAR BUDGET
Fiscal Year 1941-42
War Departments

	$
National Defense:	
Dept. adminis.	746,660
Army services	666,574,659
Naval services	169,640,304
Air services	*386,619,348
Internment	8,232,697
Censorship	207,636
Dependents allowce. bd.	342,240
Royal Mil. College	434,492
N. W. Territories	177,500
Inspection board—U. K. & Canada	3,510,640
	1,236,486,176
Munitions and Supply:	
Administration	3,500,000
Expansion of industry	176,958,422
	180,458,422
Total, war depts.	1,416,944,598
*Net, after allowing for recoverable items of $35 millions.	
Other Depts. War Costs	
Agriculture	7,877,550
Finance	2,034,513
National war services	1,789,400
Pensions & nat'l. health	3,804,900
Public works	4,183,100
Royal Can. Mtd. Police	4,045,691
Others	11,780,820
Total, non-war depts.	33,481,461
GRAND TOTAL	1,450,426,059

Rogers-Majestic Plans Capital Distribution

Shareholders of Rogers-Majestic Corp. are notified of a special meeting on March 24 in Toronto at which they will be asked to approve a change in name to Standard Radio Ltd. and distribution of $3 a share to shareholders out of the proceeds of the recent sale of a major part of the company's assets. This $3 a share distribution will also make necessary a corresponding reduction in capital.

This is a final step in completing the recent sale of the company's plant and other assets, except those owned by Rogers Broadcasting Co., to Small Electric Motors (Canada) for $645,000 in cash.

Imperial Tobacco Pays Bonus to Employees

From Our Own Correspondent

MONTREAL.—Imperial Tobacco Co. of Canada announces service dividends of 5½% of annual wages will be paid to more than 4,000 factory workers and other employees. The amount distributed will be approximately $220,000.

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Mar. 15, 1941

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Digs Out Facts About Airdrome

(Continued from page 1)

statement that the original contract was rescinded by the revised one.

A further query as to what contract price was provided under any supplementary contract brought the reply that the revised contract of Jan., 1940, was on a basis of cost plus fixed fee limited to $22,000, plus rental for machinery and equipment.

Earlier Contract

Another return tabled, in reply to a further set of questions by Mr. Black, shows that an earlier contract for excavation and grading work at the airdrome was awarded to the Acadia Construction Co., Halifax, on June 22, 1938. The contract was on a unit price basis and total outlay authorized was $857,715. The return states that $664,690 has been paid to the contractor to date, with $149,376 still to be paid; or a total of $814,067. The work is not complete, the return states.

Original plans were extended, it is shown, to include the levelling of a hangar site at estimated cost of $32,000, and the grading of a bombing-up site at cost of $10,150; or a total added cost of $42,150. The return reports that "amounts needed to carry out development in accordance with original plans were authorized as follows:

June, 1938	$249,000
April, 1939	345,000
March, 1940	127,000
May, 1940	145,715

These amounts add up to $866,715, which with the additional $42,150 for extra work gives a grand total of $908,865.

Personnel of Firm

Directors of the Acadia firm are stated in both House returns to be J. E. Gould, T. E. Brown, W. P. Bickle and R. R. Collard. Reliable financial reports on the company about a year ago identified Mr. Gould as president of the firm, Mr. Bickle as the active manager. Mr. Collard was stated to have remained with the firm as director after Mr. Gould had bought out the interest in the company formerly held by Carter-Halls-Aldinger Co. of Winnipeg, with which Mr. Collard was formerly associated.

The same report noted that Mr. Collard had taken up military service following the outbreak of war and had gone to Ottawa. The Canadian Almanac for 1941 lists Group Capt. R. R. Collard as director of works and buildings in the Air Force Branch of the Department of National Defense. Apparently he was appointed some time last year, as the 1940 edition of the Almanac lists another individual in the position.

Gas Shortage Hits Ontario

Steps are being taken to remedy the shortage of natural gas in western Ontario which has led to two or three complete stoppages of the flow of gas for home-heating and industrial purposes. Hardest hit municipalities were Brantford, Preston and Hespeler, where stoppages of 6 to 8 hours duration were experienced, but Galt, St. Catharines and Hamilton suffered from lack of pressure in their gas distribution systems. Greater part of the shortage was felt in areas served by Dominion Natural Gas Co.

A partial solution of the problem was reached by the transfer of one to one and three quarter million cubic feet of gas daily from the Union Gas Co. to the Dominion Natural Gas Co.'s system, but this was not adequate to meet the current high level of industrial demand when combined with peak demands of home-heating units. Mild weather during February and March has prevented a recurrence of the stoppages, and barring another cold spell, no further serious trouble is looked for this year.

A more permanent solution of the gas shortage is expected this summer with an increase in new well drilling and the establishment of a stand-by unit for the production of artificial gas from petroleum by Dominion Natural Gas Co. Fuel oil restrictions have been relaxed in order that industrial companies may make as much use as possible of this fuel, leaving an adequate supply of natural gas for domestic users.

Zellers Sales $95,553 Greater in February

From Our Own Correspondent

MONTREAL.—Zellers Ltd., operators of variety chain stores, reports sales in February, the first month of the company's current fiscal year, at $474,450. This represents an increase of $95,553 or 25.22% over February, 1940, when sales amounted to $378,905.

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Lease Lend Affects Canada's War Plan

(Continued from page 1)

the United States, and it is understood that Washington is prepared to recognize those limits.

Gold Payments

Politically the Washington administration may feel impelled to require Britain to continue token gold shipments to the U. S. A., though this would not be a major factor in the American economy. Such a possibility would react adversely upon Canada, and undoubtedly all parties will recognize the wisdom of reducing the necessity on Britain as much as possible.

But if the stage arrives when Canada cannot maintain its cash position in the United States, there are several alternatives seen at Ottawa for procuring American airplanes and parts and other materials necessary for our war effort.

The first step would be to reduce further our non-war imports from the United States. This problem, it is believed, is being weighed in preparation for the budget that is now only a few weeks away. The rationing of gasoline in Canada might be included in this policy.

In the past few weeks, high officials from Ottawa have been in Washington and the various alternatives are understood to have been studied. The necessity of Canada finding more U. S. dollars or other exchange is not denied, for in the months immediately ahead, Canadian purchases are bound to rise. For the time being, however, Ottawa does not foresee Canada becoming a borrower under the Lend-Lease measure.

Brewers & Distillers Profit is Lower

Brewers & Distillers of Vancouver announces that the annual report, which will appear shortly, will show net profit for 1940 of $375,068. This compares with $525,918 in 1939.

Subject to confirmation of shareholders at the annual meeting of the company, directors have declared an extra of 10 cents payable together with the annual dividend of 50 cents per share on the common stock, to be distributed May 20, 1941, to shareholders of record April 26; ex-dividend April 24.

EXECUTORS' SALE OF PROSPEROUS MANUFACTURING BUSINESS

Tenders will be received by the undersigned up to the 27th day of March, 1941, for the business, property and assets en bloc of a Company incorporated under The Ontario Companies Act, having its head office and plant at the City of Toronto and engaged in the manufacture of metal and celluloid specialties.

The highest or any tender not necessarily accepted.

Full particulars may be obtained on application to the Executors.

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Simpson's

SIMPSON'S — SIXTH FLOOR

London Calling

By Atticus

GENERAL ODLUM

M. MACDONALD

Major-General Odlum Saw War Coming For 20 Years—Sees Labor Party "Disintegrating Like the Ten Little Niggers"

LONDON.

There are such comings and goings of well-known personages these days that the unfortunate tourist agencies, unable to do business, must find small solace in the company of their winter sport posters or the seductive lithographs of the Côte d'Azur where it never, never rains. Or, as the captain of the Pinafore compromised, "Hardly ever."

Malcolm MacDonald's departure for Canada emphasizes the fact that the National Labor Party is disintegrating like the 10 little niggers, with Harold Nicolson, at the Ministry of Information, its only remaining representative in the Government. One hesitates to suggest that the entente between Mr. Churchill's Conservative supporters and the official Labor Party leaves no place for an isolated labor group, but it is a little odd that a Minister of high rank and prestige should go out as High Commissioner to a Dominion which already has a Governor-General and nine Lieutenant-Governors representing His Majesty. However, Mr. MacDonald has a habit of accomplishing the unexpected, and he may add a new significance to his post in Canada.

Sir Reginald Hoare, who has been recalled from Bucharest, has no such immediate opportunity. Like Sir Nevile Henderson, though not in a position of the same importance, he has come home to tell us of the failure of a mission.

• • •

Ruritanian Reverie

I do not know whether Sir "Rex" Hoare has the same potentialities of a "best seller" as Sir Nevile Henderson, who came to the exciting conclusion, in his book, that the present war might have been avoided if General Blomberg had not married the village postman's daughter. Sir Reginald, in his study of the life and death of Roumania, might detect the feminine motif here and there, but from our knowledge of him it can be assumed that something rather more prosaic would materialize. He belongs to the disappearing diplomats of the old school, bland, dignified, humorous, thorough and inclined to regard the politics of foreign countries with tolerance, tinged with a courteous incredulity.

I ran across him in Bucharest in 1938, when M. Florescu gave a brilliant reception to mark the completion of his beautiful new house. There were endless uniforms and decorations, and I had a lively chat with the German Minister who was openly working for the disruption of the country to which he was accredited.

M. Florescu lived in his house for a few days and then came to London. Since M. Tilea resigned he has been in charge of the Legation. It was expected that when diplomatic relations were severed last week M. Florescu would return to Bucharest and to his house, providing the Germans had not taken it. However, he has decided against that course. Like M. Tilea, he has resigned and will stay in this country. Germany makes friends slowly of decent men.

• • •

In the Far East

The unpleasant activities of Japan lend a special interest to the new association of two old R. A. F. comrades, Air Chief-Marshal Sir Cyril Newall and Air Chief-Marshal Sir Robert Brooke-Popham. Like some other recent appointments, the sending of Sir Cyril Newall from commanding the R. A. F. to be Governor of New Zealand seemed an abrupt transition from the active to the legislative, but there may have been an element of strategy in it. The presence of so experienced an officer in a part of the world charged with such potentialities might well prove a factor of first-rate importance.

In the British Commander-in-Chief of the Far East he will find a comrade who was by his side for many years. Sir Robert Brooke-Popham is the only officer living of the Air Battalion formed in 1912 from which the Royal Flying Corps emerged. He was one of the first pilots to cross the line in 1914, when taking off was a feat and a landing something of a miracle.

Sir Robert, who was educated at Haileybury before going to Sandhurst, has held a remarkable and varied number of appointments. He commanded the air defenses of this country in the tranquil period of 1926-28, and again in the darkening days of 1933-35. Between the two he was Air Officer commanding in Iraq and Commandant at the Imperial Defense College. After four years as Principal Air A. D. C. to the King, he was put on the retired list and went out as Governor and Commander-in-Chief to Kenya.

If the Japanese are unwise enough to start real trouble in the Far East, their Air Force will have to contend with two men who know the business of air warfare from its very beginning.

• • •

From Canada

It is impossible to escape the effect of general post in these notes today. My subjects are going, gone or coming. Last week end I had the pleasure of entertaining my old friend Major-General Victor Odlum, who commands the second Canadian Division now in this country.

This distinguished Canadian soldier, with his strong head and fine features, is one of that rare type of human being who does his own thinking. He will not relinquish his independence of judgment to politician, priest or press. His baptism of fire came in the last war in the first gas attack at Ypres, when his colonel was killed by his side and he took command of his battalion. But one can be certain that nothing surprised him, even then. He credits the enemy always with every cleverness and every rascality, and prepares to outwit him. After the war he returned to Canada and bought a newspaper, but kept one eye on Germany. As soon as America dropped the League of Nations, he decided that we would have to fight Germany again.

"For 20 years," he said to me, "I studied all the facts coming out of Europe, but never listened to an opinion. Every time I added up the facts they spelled one word, 'War.' I didn't care about anyone's opinion after that." Almost unheeded he spent the last five years urging preparedness in the Dominion and was ready when the call came. A man of character, ability, self-confidence and modesty who believes that talk has never yet put out a prairie fire and that a cyclone is a fact and not a point of view.

• • •

A Blithe Spirit

When a new Parliament is elected the victors of the polls gather with all the mixed emotions of schoolboys after a long vacation. The old boys exchange congratulations and reminiscences, while the new ones, if not exactly homesick, feel strange and have to console themselves with the thought that they are at the beginning of a great adventure. At such a moment one does not pause to think how many of those faces will be missing before another election takes place—yet every Parliament goes through the same process of attrition.

The name of Euan Wallace must now be added to the list of those who have gone from the present assembly. Nor does this loss seem right or justified in any way. He was young, strong and forceful. If his personality was more boisterous than subtle one felt vitalized by mere contact with him. While his steps were set on the political path one felt that he would have been a more fitting companion for Porthos, Athos and d'Artagnan. As a cavalry officer in the First Expeditionary Force in the last war he was both daring and skilful. Four times was he mentioned in dispatches and he won the Military Cross.

As a Minister he never quite caught the Front Bench manner. He was too much like a genial company chairman, anxious to placate unruly shareholders instead of speaking as a director to a board of directors. But if in style he remained something of the ministerial amateur he was popular with all sections of the House and was a good administrator. His gay spirit, his bravura, his swinging walk and the half-amused, half-puzzled expression of his eyes will be more truly missed than would the measured sagacity of some of his former colleagues on the Treasury Bench.

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Share Dealers Now Organized

Unlisted Brokers Form Association to Curb Undesirable Practices

Following a meeting of unlisted and registered brokers about two weeks ago, The Ontario Security Dealers' Association has now been formed to aid in regularizing the present unlisted dealing in securities.

It is expected that the new association will concern itself particularly with new promotions brought out in this province. Altogether the association will cover unlisted dealers, financial agents, underwriters and sponsors.

Here are the defined objectives of the association:

"To promote and uphold fair and equitable principles of trade; to make every effort toward further development through marketing of mining and other securities with the thought in mind of co-operating with the governing bodies of mining and other industries, the Ontario Securities Commission, the Toronto Stock Exchange and other recognized exchanges."

A committee of five members has been appointed by the association to be known as the Salesmen and Associated Membership Committee.

"The securities salesmen," says the association, "being the main problem of brokers, shall be dealt with by this committee, whose thorough knowledge of the security business as a whole will enable them to deal with all problems that arise through salesmen's behavior. Thus the committee shall be able to control, to a great extent, salesmen's conduct, in view of the fact that their employment depends on the unlisted brokers. Any undesirables can in this way be eliminated."

Chairman of the new association's managing committee is Gordon Jones of Gordon Jones & Co., John Batte, Eric Oag, Sidney Pratt, Roy Marchmont, Bruce Davidson, Edward Fox and Arnold Plaxton are the other members of the managing committee.

Car Sales Begin Year With Drop

Buying of Passenger Cars Shows 15% Drop For January

Reduced sales of passenger autos pulled down the January total for all types of motor vehicles, it is shown by latest returns from the Dominion Bureau of Statistics. Truck and bus sales advanced.

Excluding deliveries to the Government for war purposes, the number of all units sold declined 9% to 8,006, though the retail value of sales was 1% higher at $10,012,591. Sales of 5,727 passenger cars for $7.2 millions showed a decline of 15% in number, but value dropped only 2% because of higher prices arising out of war taxation. The D. B. S. reports that the retail selling price of all new passenger cars averaged 15% higher in January, 1941, than in the same month in 1940.

The decrease in passenger auto sales was general throughout Canada except in the Maritimes, where an advance of 23% was recorded.

Sales of new trucks and buses rose 12% in January both in number and retail selling value. Total of 2,279 units were sold for $2.8 millions.

Sales by Makes

A breakdown of January sales by leading makes of cars is shown by the following tabulation, from Canadian Automotive Trade's monthly report on sales in central Canada and the Maritimes:

New Passenger Car Registrations in Eastern Canada*
12 Leading Makes for the Month

	— January —	
	1941	1940
Chevrolet	790	858
Ford	677	706
Dodge	597	884
Plymouth	498	771
Pontiac	339	312
Mercury	249	187
Oldsmobile	186	180
McL.-Buick	176	248
Chrysler	165	221
Nash	57	84
Hudson	52	108
DeSoto	45	114
	3,831	4,673

*P.E.I. not reported.

ALGOMA SHOPS BURN

Fire has destroyed the shop of the Algoma Central and Hudson Bay Railway at Sault Ste. Marie, Ont. The main building and equipment was a complete loss, it is reported. In the building were some new cars and other equipment being constructed.

B. C. Industry Waiting For More War Work

Plants Again Being Examined by British Mission Advisor — Industrialists Charge They "Repeatedly Get Run-around"

From Our Own Correspondent

VANCOUVER. — Status of west coast industries in respect to war contracts is expected to be cleared up shortly at conferences between Col. W. C. Woodward, executive assistant to the minister of munitions and supply, and Vancouver manufacturers.

Meanwhile there is a good deal of uncertainty regarding certain phases and industrialists are somewhat disappointed over some developments while well satisfied with others.

Col. Woodward has announced that a $2 millions order for naval equipment of a kind previously manufactured only in Britain would be distributed among British Columbia machine shops.

Later advices from Ottawa intimated that the contracts had been placed in the United States because of the prospect of quicker delivery. Manufacturers in Vancouver dispute this, claiming that nowhere in Canada is there more idle plant capacity and skilled labor than in British Columbia.

Makes Another Survey

James Crone, technical adviser of the British Mission, is now making a survey of shipyards and engineering plants and another general survey is apparently to be made from coast to coast.

Since B. C. war plants have already been examined and re-examined with a view to ascertaining their wartime production prospects, operators are inclined to regard the latest move with raised eyebrows.

"Many of us have spent a lot of time and money organizing west coast plants for greater use in Canada's wartime effort," remarked one spokesman for the metal trades industry. "Instead of recognition we have repeatedly been given the run-around."

A few months ago it was announced that B. C. plants would make shells, and preliminary orders were placed for making lathes to be used in connection with that programme. Now, however, it is indicated that no shells are to be manufactured west of the Rockies—at least not for the present.

Work for Shipyards

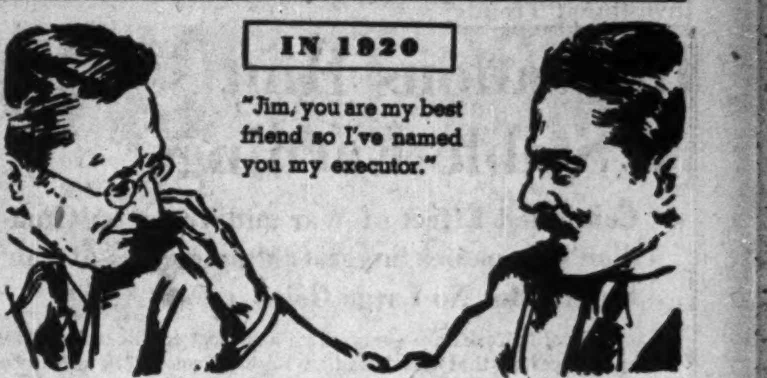
On the other hand, there is every likelihood that shipyards will be kept busy. Burrard Drydock at North Vancouver has orders for eight steel cargo ships. Other yards similarly equipped also expect to start construction of freighters and additional naval craft, perhaps destroyers.

Vivian Engine Works and Reliance Motor and Machine Co. have received independent orders for horizontal drills amounting to $3 millions. Dominion Bridge Co. will soon start construction of a $1.2 million arsenal to make guns for the British Admiralty. Boeing Aircraft of Canada will move into its new $1 million plant at Sea Island for the manufacture of flying boats. Canadian Sumner Iron Works announced plans for a new plant at Burnaby. A mill to utilize accumulated scrap steel is in prospect.

Grocery Sales Up In January

Retail grocery store sales in Jan., 1941, were higher throughout Canada than in the corresponding month of 1940. Chain stores turned in a higher average gain than did independent stores, the average rate of improvement being 24.4% for chains and 7.4% for independents. When consideration is given to the lower number of chain stores in 1941 (1,011 against 1,129) the average improvement per unit was 39%. All provinces shared in the gain for both classes of store.

The improvement in wholesale grocery trade was less marked, amounting to 1.5% over Jan., 1940, and showing a decrease of 10.7% as compared with Dec., 1940. The increase in wholesale turnover was reflected in all areas except Quebec, which dropped 3.6%, with British Columbia reporting the largest increase of 9.7%.



IN 1941

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★

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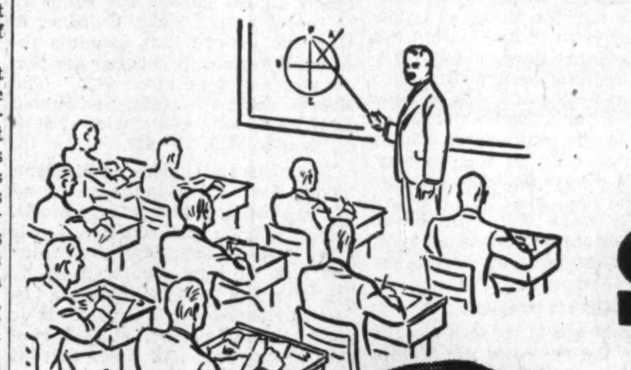

SKILLED MEN are made... not born!

Canadian industry, roaring into high gear to meet urgent war needs, is face to face with an acute shortage of trained men in many fields.

This shortage cannot be filled by drawing on other industries. There is only one way to meet it. Practical, adult and apprentice training programs must be installed by **every affected industry.** This is the method recommended and urged by The Government of Canada.

There is an International Correspondence Schools' plan of Co-operative Employee Training for every type of industry. Under this plan, with the cooperation of management, student employees pay for their own training; and shop work and home study can be related, directly and definitely, to the requirements of the industry.

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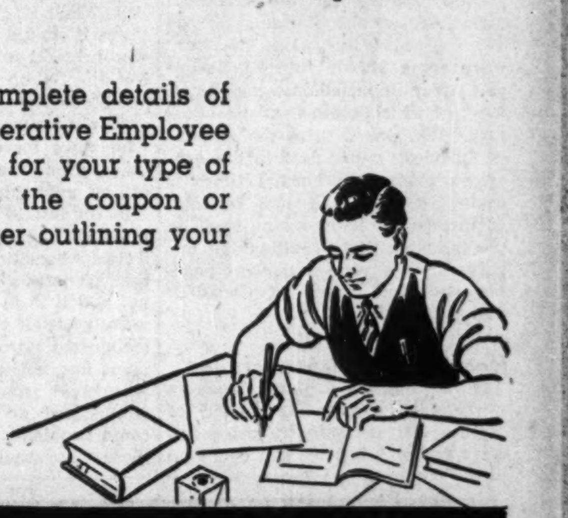

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Investment Trends

Indications Hint At Stable Earnings

Combined Effect of War and Taxes on Canadian Companies Suggests Maintenance of Fair Return But No Large Gains

Excess Profits Taxes are everywhere a subject of discussion. The Post has suggested that the Canadian Excess Profits Tax might be altered in certain details while keeping the basic rate unchanged. To reduce this tax was not suggested but rather a revision to provide that the tax does not hit one group unfairly while being easy on another.

That the present tax is going to keep earnings of Canadian companies as a whole on what might be considered a stabilized level is evident when reference is made to the study in The Post last week which showed that 42 representative Canadian industrial companies whose reports covered the calendar year of 1940 actually report 3.99% decrease in profits from the previous year while tax levies are up 116.65%.

Now from Britain comes reports that the 100% Excess Profits Tax in that country is likely to be modified. The scheme reported from London indicates that profits which companies might be permitted to keep under any modified tax will be reserved for later, government-approved reinvestment. Probably this would be held over till the post-war period with its readjustment problems.

Appraising Tax Impact

These trends in investment and taxes are important to the investor. In the first place they seem to indicate that a period of comparative stability in company earnings can be expected, perhaps subject to individual qualifications where wartime conditions bear with different weight on individual industries. They can also see in the taxing authorities a tendency to be reasonable within the framework set up. The Financial Post has heard complimentary remarks from many sources as to the work of the War Contracts Depreciation Board and the Board of Referees now operating in Canada. It is apparent that industry is getting a reasonable hearing.

The first fear of the unknown taxation is lessening but there is developing a finer appreciation of just what this taxation is going to mean to industry. There is practically no forecast of lower tax rates, on the contrary they are likely to go higher. But in so far as it is possible they will be distributed to bear evenly on industry.

Drop in Profits for 1941

If one can hazard a forecast so far in advance, it seems quite likely that profits for 1941 will not show any particular increase over 1940 and may even be slightly down in the aggregate. But the stability already noted is likely to prevail again.

It all adds up to a modest return on investments but no runaway profits. Moreover, it suggests that stock market prices themselves should show stability over the coming year. Ups and downs there will be, it is true, and they will probably depend to a great extent on the changing fortunes of the war. But anything resembling a boom or runaway market is very unlikely. So, it seems, is the chance of a decline approaching panic proportions, assuming always that the war does not take any disastrous turn.

* * *

Bulls on Newsprint

Elsewhere in this issue will be found a brief summary of a pamphlet which Wood, Gundy & Co. has issued on the outlook for Canada's newsprint industry. As will be noted, its tenor is optimistic, so much so in fact that it is well to remember that opinions in the industry itself do not support this forecast in all respects.

The attention which Wood, Gundy pays to the improvement in the industry is deserved. There is a need to draw attention of investors and of the public to changes that have taken place in recent years—changes for the most part of an encouraging nature.

* * *

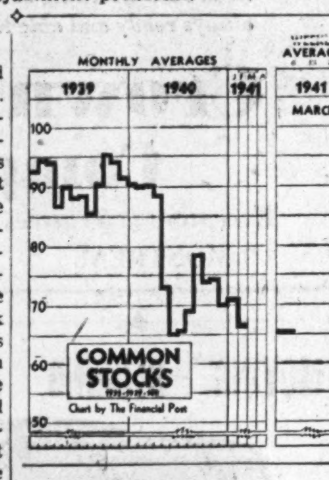
What About Scandinavia

Wood, Gundy maintains that competition from Scandinavia has never been a real source of embarrassment to Canadian newsprint producers. It is pointed out that the natural market for Scandinavian newsprint is Europe and Great Britain just as the natural market for Canadian paper is the United States.

Unfortunately for the Canadian manufacturers the Scandinavians do not recognize this. In 1939 there was some 310,000 tons of European paper imported into the States, most of which came from Scandinavia. While it is true the amount of European paper used in the American market in normal times is small—less than 10% of total requirements, it is the contention of the industry that Scandinavian imports have a very important bearing upon the fixing of Canadian newsprint prices.

Reasonable Improvement

It is suggested that Canadian newsprint faces no likelihood of "spectacular increases in price and consumption," but we can count on



Market Opinions

Effect of the adoption of the lease-lend bill, altered taxation in the United States and the war occupy stock market commentators.

Magazine of Wall Street, N.Y.—Further creeping rally appears likely but anticipation of a major German drive against the British Isles this spring or summer is a powerful market obstacle. We would not reach for equities on any upturns.

Common stocks will be a buy when and if the grand strategy of the war turns definitely in favor of our side; or when market action indicates by stubborn and more than temporary resistance that the worst—a major English disaster—has been fully discounted. Since no one can forecast either of these possible changes in terms of timing or price levels, the compromise policy, leaning heavily toward liquidity for a major portion of available funds, has much to recommend it.

* * *

Brookmire Counselor, New York.—Debate on the lend-lease bill will be succeeded by action, which spells added stimulus to business. Restraining factors, on the other hand, include strike threats and the increasing government control necessitated by the pressure of armament production. The nature of military operations this spring will require the investors' vigilance; but the underlying expansive and inflationary trends warrant the client maintaining a well-balanced portfolio.

* * *

Barron's, N.Y. (The Trader)—In another month, the outside date from the official American military point of view for the materialization of the eleventh hour for the democracies will be at hand. In the decline of the past two months, the stock market must have been taking due cognizance of the approach of the zero hour for western civilization, so that it can hardly be taken by surprise whatever may develop overseas. An immunity to war trends has possibly developed, and the effect upon the domestic economy of the lease-lend bill and of the pending tax legislation should logically become of paramount importance. Unless an "all-out" war economy is immediately ordered, with the country prepared for the worst, the slightest improvement in the tax outlook should find prompt recognition in the market for equities.

* * *

"a reasonable improvement in newsprint markets."

The operators should not be blamed for the overexpansion in 1926-1930. If one wants to cast a stone, it should be at the politicians who brought pressure for the opening up of timber limits or who engineered the licensing of large grants of timber limits to promoters, who were more concerned with a quick profit than with the welfare of the newsprint industry.

In the last 10 years the newsprint industry has been slowly working its way back into a stronger position. It is not out of the woods as yet and it is in the interests of the industry itself that this situation be recognized. A considerable betterment has taken place, but the improvement should not be overemphasized or its still-to-be-overcome problems minimized even by those who are its well-wishers.

INVESTMENT SECURITIES

NESBITT, THOMSON & COMPANY, LIMITED
355 St. James Street West, Montreal
Branches in the principal cities of Canada

Consumers' Gas Cuts Dividend 2% Annually

First Cut Since Crimean War Follows Drain on Reserves Since 1933

A combination of higher costs and reduced earnings is the reason given for Consumers' Gas Co. of Toronto reducing its annual dividend rate from 10% to 8% and for making increases in gas rates to consumers. With the exception of the years 1858 to 1873 when 8% dividends were paid, Consumers' Gas has paid its shareholders 10% per annum since the company was incorporated March 23, 1848.

In a letter to shareholders explaining the dividend reduction which takes effect Apr. 1, 1941, Col. A. L. Bishop, president, outlined the reason for lower Consumers' Gas earnings.

Rising Costs

On the outbreak of war, the cost of importing coal was increased 11% by the premium on U.S. funds. This was later augmented by the 10% War Exchange Tax imposed by the Dominion Government which was followed by higher prices for coal at the mines. Combined effect of these three items has been to step up the company's annual coal bill by approximately $255,500. The company requires some 1,000 tons of coal daily, the economic source of supply being the United States.

Rising costs have been intensified by higher taxes, the total payment for all classes of taxes amounted to $909,455 in the year ended Sept. 30, 1940, up $321,594 from 1930. At the same time, the company's chief competitor, the Toronto Hydro-Electric System is virtually tax free, it is pointed out. Col. Bishop quoted from the 1940 annual report of Consumers' Gas:

"The Toronto Hydro-Electric System in its report for the year 1939 stated that the total taxes paid amounted to only $39,378, and revenue from the sale of electricity, $13,106,213. Taxes paid, therefore, equalled 0.3 cents for each dollar of revenue. This Company's taxes for 1940 amounted to 12.2 cents per dollar of gas revenue."

Rates Raised

This competitive situation has made it difficult for the company to charge higher gas rates, as permitted in its charter. Rates are being raised, effective April 15, to add $194,000 in increased revenues to the dividend reduction of $291,000. The company has substituted a minimum monthly bill of 75 cents for the former 50-cent monthly service charge, a move estimated to add seven to 16 cents monthly to bills for users of small quantities of gas. Rates for larger domestic consumers are being reduced to foster the installation of gas-using equipment. Objective of the new rates is to stimulate gas sales and parallels a similar rate structure for commercial customers. Col. Bishop stated.

"The output of gas has so far this year shown a satisfactory increase over last year. The business of the company continues to be fundamentally sound, and our aggressive sales policy based on proper merchandising principles, an extension of the field of usefulness of gas in domestic, commercial and industrial operations should be achieved."

Draw on Reserves

Beginning in 1933, when an accumulated special surplus was exhausted, earnings of the company have been insufficient to meet the 10% dividends and the 5% annual payment to plant and building renewal fund. As a result, dividends, which are the prior charge, have been met out of earnings, while the transfer to the renewal fund has been filled from general reserves. General reserves have fallen from $7.4 millions in 1933 to $4.9 millions in 1940, while the renewal fund has grown $3.8 millions in the period. Growth of the latter fund is attributable to the fact that expenditures on renewals have been less than the amount transferred.

The company is permitted by charter to pay dividends at the rate of 10%, and if earnings are insufficient, to draw on the accumulated reserve fund for the balance, and subsequently to raise rates sufficiently to meet the 10% rate and to replenish reserves. Since 1933, the reserves drawn on by the company have been accumulated earnings, but general reserves created by the sale of stock above par value. Latest stock sale by the company was in 1937 of 5,000 shares at $201.

Consumers' Gas has been entitled to raise rates since the accumulated surplus was exhausted in 1933, but with the exception of an increase of one cent per 100 cubic feet in June, 1937, no advance has occurred until the present.

Toronto city board of control has decided to ask Consumers' Gas to meet the entire rise in costs by reducing dividends, and has instructed the city auditor to prepare a report on the situation.

DEPUTY CONTROLLER

J. L. Stewart, Toronto, has been appointed deputy oil controller for Canada, it is announced. Mr. Stewart, who serves without salary, is on loan from the Canadian Automobile Chamber of Commerce of which organization he has been managing director for the past 10 years.

Ban On Gas From U. S.?

(Continued from page 1)

fields in South America. Already greater use is being made of these resources in that Imperial Oil is bringing 10,000 bbls. daily to its Sarnia refinery, via tanker and pipe line. This move saves U. S. dollars to the extent that International Petroleum realizes a profit on the transaction and brings this profit back to Canada in U. S. dollars.

Efforts to work out a complete programme have been hampered by difficulty in obtaining accurate estimates of Canadian requirements. Shortages of natural gas in Ontario have made necessary use of fuel oil for numerous processes formerly using gas. Because of this restrictions on the use of fuel oil have been relaxed in some cases.

A continually accelerating industrial pace makes ever greater demands on oil and petroleum products of all kinds.

Make Both at Once

A point regarding control over the civilian use of gasoline is the fact that fuel oil has become an essential material for industry. To make fuel oil refiners have to turn out, at the same time, large quantities of gasoline. It is possible to import crudes particularly rich in fuel oil, but this might require important adjustments in refining equipment.

Thus, so long as Canada pursues a policy of importing its petroleum supplies in the crude form, adding there the refining costs in this country, there will always be large supplies of gasoline available. This does not necessarily mean there will be no rationing or curtailment of gasoline, but it makes such an event less likely.

Alberta Problem

Major problem in western Canada has been the best use of Alberta crude oil resources. These have proved both a blessing and a disappointment to the controller. He early saw that for Alberta oil resources to supply the prairie market throughout the year, it was essential to assure steady production at the maximum economic volume.

First step was to have each refiner provide estimates of his requirements for 1941. Based on an estimated demand approximately that of 1940, these added up to a daily average crude oil need of 27,000 bbls.

Next step was to have the Alberta Conservation Board set allowables for its wells. The first aggregate allowable set was 22,000 bbls., leaving a daily shortage of 5,000 bbls. At the request of the controller, this was later stepped up to 26,000 bbls. and at this level the producing wells apparently have difficulty maintaining steady supplies.

Limit Market

Third step was to limit the market supplied with Alberta crude to the prairie section west of Portage la Prairie, Man. This did not mean that, if larger than expected supplies were available, western crude would not be allowed to extend its market farther. It was merely a step in determining the potential requirements of the market.

Chief hope at present is that new wells, or oil fields, will be developed. The oil controller expects that from 40 to 50 new wells will be completed this year and estimates that this number will be necessary to maintain supplies. Certain new fields of promise are developing. Some of them, however, require special treatment.

The Vermillion field, for example, would probably require a special refinery to treat the heavy type of oil that it produces. Erection of such a refinery, naturally, depends on proving of sufficient crude supplies to justify the cost.

ELECTED VICE-PRESIDENT

From Our Own Correspondent

MONTREAL.—L. J. A. Amyot, of Quebec, has been elected vice-president of the General Trust Co. He has been a director of the company for some years.

Proxy Fight Looms Over Massey Co.

Gairdner & Co. Seeks Proxies From Preferred to Force Action

Holders of the 5% preferred shares of Massey-Harris Co. are being asked for proxies for the annual meeting March 25 by a group seeking to secure action on payment of preferred stock dividends.

In a letter signed by A. G. Walwyn of Gairdner & Co., Toronto, it is stated that "it is time that some dividend action was taken. . . . Renewal of dividends would not only give preferred shareholders immediate income but would assure much higher market values."

Proxies are being asked in the names of E. J. Bennett, resident partner of George A. Touche & Co., Toronto, Brian N. Barrett, investment executive representing substantial interests, or James A. Gairdner of Gairdner & Co.

Earnings Substantial

The letter points out that no dividends have been received for 10 years and accumulations now equal $50 a share. The company has earned a total of $29.93 a share in the past four years, or an average of $7.48 a share annually. Working capital has been increased since 1935 by about $5¼ millions and all current assets in Europe written off requiring just under $1 million.

The letter to shareholders states in part:

"As distributors of a large proportion of the outstanding preferred shares and acting on behalf of certain preferred shareholders, we propose to present the case in this matter to the directors of the company in an endeavor to get early action."

Reserves Large

In a memorandum accompanying the request for proxies, the preferred shareholders group draws attention to the strength of the company's reserves at Nov. 30 last. Depreciation reserves amounted to 67.7% of the value of plant and other fixed assets, leaving 32.3% as a net book value. Against accounts receivable of $15.5 millions, there was a reserve of $2.5 millions, or 16%. "In view of a more conservative policy on the part of the company in recent years," states Gairdner & Co., "we believe that accounts receivable are now in a better position than at any time since 1929." The reserve against inventory amounted to 10.2% of total inventories of $14.4 millions at Nov. 30, 1940.

There are restrictions on dividend payments embodied in the trust deed of the existing first mortgage bonds. These provide that current assets must be three times current liabilities and working capital must be 2½ times the bonds outstanding before dividends can be paid. It is stated that as at Nov. 30, 1940, current assets were 5.12 times current liabilities and working capital was $15 million in excess of 2½ times the $8.5 millions of these bonds outstanding. Net current assets, it is stated, were equivalent to $101.65 a share on the preferred, after deducting the bonds.

It is understood that the group is not advancing a reorganization plan of its own at present. It seeks, however, to get action, cleaning up the Massey-Harris balance sheet to permit payment of dividends. This would include elimination of the accumulated deficit which amounted to $21¼ millions at Nov. 30, 1940.

Refunded Old 7% Stock

There are 120,899 shares of preferred outstanding, each share carrying one vote. Common shares outstanding total 739,622 shares.

The original preferred was offered to holders of a former issue of 7% preferred in 1929 in exchange for their holdings of that stock on a share for share basis. The entire new preferred issue was underwritten by a group headed by Wood, Gundy & Co. The offering to holders of the old 7% preferred only resulted in a small proportion of the total being taken up and the underwriting group had to absorb the majority of the stock.

It is understood that actual distribution of much of this stock was not completed until 1936 and 1937, when Gairdner & Co. took over a large block from one of the original underwriters.

Dom. Stores Results Gain

Changed Merchandising Policies Give Higher Sales, Profits Per Store

Annual report of Dominion Stores Ltd. for 1940 emphasizes continuation of merchandising policies adopted over a year ago. Good results, according to J. William Horsey, president, are shown in the operating profit of $324,016 for 1940 in spite of a decline in sales of 8.98%. This compares with an operating loss of $19,658 in the preceding year.

"On the average," states Mr. Horsey, "there was a decrease of 90, or 20.93%, in the number of stores operated, but sales per store increased 15.51%. . . . In general, improvement in results for 1940 was due largely to the increased efficiency of the operation as a whole."

Sales Per Unit

Store modernization and closing unprofitable units have resulted in increasing sales per store. At the end of 1940 properties operated numbered 324, compared with a peak of 572 at the end of 1931. Of the present number, 63 units are of the self-service type.

Based on the number of stores in operation at the year end sales per unit have shown the following trend:

Year	Stores at Year end	Year's sales per unit $
1936	488	39,825
1937	475	41,765
1938	464	40,540
1939	378	52,669
1940	324	55,928

Wages of store managers were 12% higher at the end of 1940 than a year earlier, while store clerks had been advanced 20%. In addition, vacations with full pay have been extended to all permanent employees.

Public Relations Improve

Mr. Horsey said on the company's public relations:

"Present abnormal conditions increase the problems of distribution. Our company is doing its best, and with gratifying results, to assist all those engaged in the production and distribution of food toward a better understanding of our mutual problems so that satisfactory solutions may be found. . . .

"The year 1940 saw a decided improvement in the general attitude toward chain store organizations. Evidence of this appeared in the lowering of discriminatory taxation in the Province of Quebec."

John Bertram Shares Listed

Machine Tool Maker Business More Than Doubled Last Year

Common shares of John Bertram & Sons Co. have been listed on the Toronto Stock Exchange. Listing covers the entire 60,000 authorized shares of $5 par common, all of which are outstanding. Capitalization of the company also includes 6,000 shares of $50 par preferred of which 5,403 shares are outstanding. The preferred shares are not listed.

The company was incorporated in 1901. By supplementary letters patent dated Nov. 22, 1940, the former authorized capital of 6,000 common shares of $100 par was changed into the present capital. Holder of each old $100 par share received one preferred share and 10 common shares.

John Bertram & Sons is a maker of machine tools, metal cutting tools, precision gauges and other medium and heavy machinery. Its plant is at Dundas, Ont.

Last Dividends in 1930

Since Sept. 1, 1926, dividends paid on the old common stock have been: 1928, $4 a share ($24,000); 1929, $4 a share ($24,000); 1930, $3 a share ($18,000).

Balance sheet as at Dec. 31, 1940, shows current assets of $4.9 millions, of which $497,180 is cash and $3.1 millions in inventory. Current liabilities total $4.1 millions including $1.1 million as trade accounts payable, $2.4 millions of advance payments on contracts and $527,000 as tax provision. This leaves working capital of about $800,000. Total assets are $5.6 millions. Fixed assets are shown at book value of $2.1 millions, from which is deducted $1.3 million as depreciation reserve. Earned surplus amounts to $958,164.

The listing statement shows that sales have been $1.7 million in 1937, $1.6 million in 1938, $1.7 million in 1939 and jumped to $4.3 millions in 1940.

Net profit for 1940 was $127,644 against $55,670 for 1939 and $29,374 for 1938.

The company has 94 stockholders of whom four hold 55,335 shares out of 60,000 common shares outstanding.

Officers and directors include:

HENRY BERTRAM, president, Dundas.
H. G. BERTRAM, vice-president and secretary-treasurer, Dundas.
JAMES B. BERTRAM, and ALEX F. PIRIE, Dundas, Ont.
G. H. LEVY, Hamilton, Ont.

Wood, Gundy Reviews Newsprint Situation

Improvement in operating conditions, stronger financial position for the major companies involved and increased earnings in the newsprint companies present more attractive opportunities for investments than has been the case "for many years," states Wood, Gundy & Co. in a recent survey of the industry.

This study summarizes the favorable factors in the present position of the Canadian newsprint industry as follows:

1. Newsprint consumption is more closely approximating productive capacity so that there is no pressure to cut prices. Increased efficiency in methods of production have steadily improved plants and reduced production costs. Companies with sound mills and reasonably satisfactory management are now able to operate at a comfortable profit.

2. There is no likelihood of new newsprint constructions in the near future. The disastrous results of overbuilding in the years from 1926 to 1930 are too well remembered to make it possible for such mistakes to be financed, even if mill operators were again foolish enough to attempt it.

3. Provincial governments realize more than ever before that the prosperity of the industry is vitally important to the welfare of Canada, and consequently, steps have been taken to conserve our limited timber areas so that improvident exploitation of timber will not be permitted in future.

4. Possible competition from newsprint mills manufacturing from Southern Pine, a matter of discussion for the past 15 years, is unlikely to become a serious factor. Conditions in the one newsprint mill operating in the Southern States and using southern pines are more suitable for the manufacture of kraft pulp than newsprint.

Wood, Gundy & Co. points out that 75% of Canada's newsprint production is sold in the United States. In that market, consumption last year approached previous record levels. At the same time annual rated capacity of United States mills has declined from 1,790,000 tons in 1926 to about 1,100,000 tons in 1940. This study also states that Canada's exports overseas have also been rising.

Newsprint prices have been stabilized at $50 a ton, f.o.b. New York for the past three years. This compares with a 28-year average price of $61.219, according to Wood, Gundy. This firm maintains that "while newsprint prices have generally followed the commodity price trends, the newsprint price has not yet reflected the sharp rise in commodity prices which began in 1929."

They claim, when rated capacity of Canadian newsprint mills and actual production are close together, have been prosperous periods for the industry. Following a period when actual output was far below rated capacity in the early 1930's, prices, creeping up on capacity.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg., mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	584.5	322.3	212.5	168.2	123.2	183.1	202.1	297.5	160.9	329.3	180.7
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.3	51.6	110.6	96.8	104.3	84.0	75.4	94.7	77.3	71.3
Weekly Figures:												
Feb. 6	74.1	66.6	71.1	49.0	106.5	93.3	98.3	78.9	70.8	91.8	73.1	68.0
Feb. 13	73.5	65.3	69.2	49.2	105.6	91.9	98.1	78.2	69.8	92.3	72.2	67.1
Feb. 20	72.3	63.0	68.6	48.2	104.2	87.3	94.7	76.5	67.8	90.7	70.5	65.5
Feb. 27	72.0	61.0	69.1	48.6	102.1	87.4	96.4	75.3	67.5	90.2	70.1	65.6
Mar. 6	72.1	61.5	69.8	48.7	101.7	87.6	93.7	75.0	67.0	90.2	70.0	65.8
Mo. ago	74.1	66.6	71.7	49.0	106.5	93.3	98.3	78.9	70.8	91.8	73.1	68.0
Yr. ago	107.0	115.5	113.4	78.2	135.7	117.1	106.7	106.0	92.1	104.5	93.6	90.6

*High and low for year from 1929 to 1940 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Mar. 11	92.30	98.55	63.04	19.07
Mar. 10	92.04	99.60	63.13	19.09
Mar. 8	91.57	99.13	62.96	18.99
Mar. 7	91.29	99.05	62.96	18.94
Mar. 6	91.14	99.85	63.08	19.06
Mar. 5	91.04	99.25	62.97	19.01
Month ago	93.70	101.57	65.07	20.17
Year ago	123.35	111.72	82.50	29.14
High 1941	103.48	109.76	69.33	21.62
Low 1941	89.66	97.36	62.40	18.80

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Mar. 11	48.5	56.3	53.7	66.56	76.08
Mar. 10	48.4	56.1	53.5	66.94	75.97
Mar. 8	48.8	55.7	53.4	65.23	76.06
Mar. 7	48.3	55.5	53.1	63.80	75.81
Mar. 6	48.8	55.8	53.4	63.52	75.90
Mar. 5	48.5	55.4	53.1	62.79	75.99
Month ago	50.4	59.3	56.3	67.87	77.80
Year ago	66.7	87.9	80.8	135.90	87.23
High 1941	54.3	66.4	62.3	82.25	79.99
Low 1941	48.3	55.1	53.0	61.02	75.81

London Calling

HELPING THE WAR EFFORT

The nation will be most advantaged if the individual, while providing to his utmost for the country's war effort, can at the same time maintain a reasonable basis for the future economic security and independence of himself and his dependents and so lessen future demands on government aid.

Life insurance offers the solution. Being an instalment plan it provides the future security with a minimum of present outlay. Even this outlay, however, will through the companies' investments still be used in large measure to help the war effort.

Life insurance fits into the country's and the world's needs both in war and peace.

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Canada's Oldest Life Assurance Company

MAYFAIR
and
CANADIAN HOMES AND GARDENS
War Programme

Our wartime work may be summarized as follows:

1. Mayfair will continue to picture the wartime activities of our specialized audience. This has been one of Mayfair's most talked-about features; Mayfair has served to popularize war work and has been a patriotic incentive among all ages and groups of workers.

2. Mayfair emphasizes that the "lighter side" of our life is now turned to good account—to some war charity. Mayfair tends to popularize, and to make successful, these occasions, and thus aid "the causes." They, in their turn, maintain morale and supply needful relaxation.

3. Both magazines reflect the cultural life of Canada. Cultural life must be maintained—even in the army at the present time—or the nation will deteriorate.

4. Both magazines forward every effort to make Canadians more "conscious" of Canadian-made products, and to be proud of them. Mayfair promotes the new Canadian-made products to help the progress of a vast industry that is important in balancing our wartime economy.

5. Canadian Homes and Gardens' chief contribution to the Dominion's wartime economy has been in the presentation of Canadian materials and manufactured articles as a worthy substitute for imported items. Plans are under way for a more intensive development of this theme in 1941 issues.

6. British-made merchandise, especially English china and pottery, is consistently a part of Canadian Homes and Gardens editorial.

7. Hostess section of both magazines seeks to back up Government campaigns to popularize surplus commodities, such as apples, fish, canned lobster, and thus keep Canada's domestic economy in better balance. In Canadian Homes and Gardens for January, an article, "Patriotic Pantries," gives a comprehensive review of opportunities now presented to every woman to help, even in her own home.

8. Mayfair stresses travel within the Empire (or within the Dominion) in order to broaden demand for Sterling, which helps Britain, or to keep our dollars at home, which helps Canada.

9. We have issued a booklet: "Canada's Growing Self-Sufficiency," to implement our editorial work.

Over the period of 15 years, since their inception, Mayfair and Canadian Homes and Gardens have built up two distinct, important Canadian audiences in excess of 20,000 readers. Both magazines are edited for the higher-income Canadians.

What are their needs? What helps them to do better work? What relaxation and exercise are available and necessary for them?

Today both magazines provide the answers in practical, patriotic form.

A definitely planned relaxation is even more necessary in wartime—because of its high tension—than in peacetime.

Our type of subscribers are playing an important part in the war effort. They give leadership in all phases of work, and Mayfair and Canadian Homes and Gardens assist them to put forward their best effort. These publications are edited for this class, and nowhere else can they get what these publications supply.

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Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Silverwood, A ..	5%	1942-51	Mar. 25	103
Do., B	5%	1952	Mar. 25	101
Randolph Hotel .	6½%	1947	May 1	105
Ames Holden Tire	*7%	1943	May 1	105
Viceroy Mfg. ..	4½%	1952	July 1	103

*Drawn by lot $22,300.

Bond Tenders

12 Noon, Mar. 13. Canada Treasury Bills—$40,000,000; dated Mar. 14, 1941, payable June 13, 1941.

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TO health-lovers everywhere Dr. Jackson's Kofy Sub is proving a welcome boon. It provides rich, satisfying coffee flavour without caffeine. There's nothing in Kofy Sub to prevent sleep, or upset the nerves or cause indigestion. It's a blend of cereal grains and soya beans and the delightful beverage it makes is both alkaline and nutritious. Make it in the same easy way as coffee—and drink it freely. Enjoy its flavour and its benefits.

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Bond Markets

Problems of War Loan Worrying Bond Men

Study of War Savings Drive, Advance Training Urged For Third Loan — Streamlined Organization Regarded as Certain

Form of the organization for Canada's 1941 War Loan (or Loans) is still as little known as the terms on which the bonds will be offered. Questioned in the House of Commons as to the amount of the loan, the Finance Minister has refused to "anticipate the budget." In asking the question, Opposition Leader Hanson also urged that no "forced loan" be contemplated.

Although plans for the loan organization have not been submitted by investment dealers, opinion appears to be united on the need for comprehensive advance preparation. It is believed certain that the loan will be organized on the committee system, with territories allotted to investment men who will work in conjunction with local committees, on a basis somewhat similar to that of the War Savings Committees.

The War Loan will also have the benefit of the publicity services of the Publishers' War Finance Publicity Committee which has already served in the War Savings drive, but in all other respects, the two organizations will be separate.

• • •

Second Loan Draggy

Draggy response to the Second War Loan caused anxiety as to the success of the third loan. Estimates of the amount to be borrowed range up to above $1,000 millions. Some bond dealers have suggested that to raise this sort of money will require a comprehensive study of the trend of savings deposits across the Dominion. Gross figures of savings deposits are believed to conceal too many sums that are tied up in estates, or in deposits too small for bond buying, or in accounts that are really current accounts although classed under savings.

It has been suggested that there has probably been a drastic shift in the ownership of savings deposits brought on by war conditions, and that the new owners are not necessarily of a type which can be readily contacted through normal investment channels. This has been partially substantiated by the experience of some life insurance sales forces which have had to revise and redirect their sales efforts in line with new conditions.

It has also been suggested that selling of the loan will be made easier if further tax increases, gossip of "forced" loans and other influences tending to increase the uncertainty of investors can be eliminated.

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Borrowing Costs

What it costs to issue and sell securities in the United States has been analyzed by the Securities and Exchange Commission in a recently published 100-page study. The figures apply to 1938 and 1939, and the proportion of costs to issued value is much the same in each year. Particularly in bond issues, the larger the issue the smaller was the proportion absorbed by costs. Distribution costs, such as commissions to salesmen and distributing firms, accounted for a major part of the cost in all types of issues. Figures for 1939, by class of security, were as follows:

Class of Security	Cost per $100 Realized: Distribution $	Total $
Underwritten bonds	2.00	2.60
Underwritten pfd. stock ..	5.10	6.30
Non-underwritten pfd.	14.90	16.00
Underwritten common	15.10	16.90
Non-underwritten com. ...	17.30	19.00

Apparently in answer to the complaints of U. S. security dealers regarding the cost of registering security issues with the S. E. C., the study points out that costs partly attributable to registration amounted to less than one third of 1% in the case of bond issues and reached a maximum of 0.456% in the case of common stock. Costs of registration have been blamed for the increase in the private placement of better grade issues direct with institutional investors, which can be done without going through the registration formalities. Whether the fact that this cost, shown to be only 0.331% in the case of bond issues, finally disposes of the argument is open to question, since other expenses on this class of issue, outside of distribution costs, account for 0.227%.

• • •

Bond Index

Dominion of Canada long-term bonds were firm in the week ended March 6, 1941, and the D. B. S. index of prices rose to 101 for the week from 100.9 the week before. As compared with a year ago the index is 3 points higher.

DOMINION OF CANADA
Long-term Bond Index

	Weekly average Feb. 28-Mar. 6	Preceding week Feb. 21-27	Weekly average year ago
Price ...	101	100.9	98
Yield ...	95.8	96.1	102.1

C.G.E. Sales Hit Record Volume

Volume of orders received and sales billed by Canadian General Electric Co. in 1940 was the largest in the company's history, states the board of directors in reporting for last year.

Electrical equipment was in great demand, it is stated, due to the expansion of Canadian industries to meet war requirements. The company is said to be co-operating with the Government "on important work for which its engineering and manufacturing facilities are adapted."

The balance sheet and income accounts reflect higher volume of business handled and orders on hand. Earnings are higher in spite of a tax bill that is more than seven times that of 1939.

During the past year the company spent $987,303 on additions and replacements. As depreciation provided was $823,454, the net increase in fixed assets values in the balance sheet is only about $120,000. Fixed assets are carried at $17.4 millions against which there have been provided depreciation reserves of $9.5 millions. The company also has a general reserve of $6.8 millions.

Foundation Co. Activity High

Bulk of Business From Erection of Plants For War Production

From Our Own Correspondent

MONTREAL.—The eight months period ended Dec. 31, 1940, was one of great activity in the construction business, R. E. Chadwick, president of Foundation Co. of Canada, states in the annual report. With exception of a few comparatively small contracts the entire business of the company has been directly connected with the war effort and building up of munitions plants.

Practically all construction contracts held have been with industrial concerns having munitions contracts with the British or Canadian Governments. In recent months personnel of Foundation Co. on construction work has exceeded 10,000 men.

Form New Department

A new department has been inaugurated as a result of the war effort. This is a separate department devoted to engineering and industrial design, apart from actual construction. The department has had assigned to it, under supervision of British experts, complete design of an establishment, expected to be the most important of its kind in the British Empire outside the British Isles.

Mr. Chadwick reports that there has been encouraging response from industries to avail themselves of the service of the new department.

Towing and docking business at Halifax has been increasingly active. Number of tug operations in the current season has been about five times the normal pre-war average. The company has acquired under charter six harbor tugs, in addition to its own fleet. The latter has been augmented by two tugs purchased during the year, one of which was lost in a collision.

The marine salvage business has been extended to cover an area approximately 10 times that available to it under pre-war conditions. The company purchased a new vessel approximately twice the gross tonnage of the next largest of the company's fleet, and has been refitted for ocean rescue and general salvage work.

Marine Works Independent

The company's derrick boats on the Atlantic coast have been operating at capacity, either on construction projects or maintenance for the Royal Canadian Navy. One new derrick boat was placed in operation during the past year.

Mr. Chadwick notes that the company's towing, docking and salvage business is being carried on entirely as a commercial enterprise under its own control, without financial assistance from any governmental agency.

Canadian Gair Net Higher

Gair Co. of Canada, a subsidiary of Robert Gair Co., reports net profits, after all charges and a $400,012 tax bill, at $241,964 in 1940. This compares with $185,440 in 1939. Maintenance and repair expenditures last year were about $200,000 and capital additions $150,000. Depreciation of $218,000 was charged to operations.

The Canadian company produced 57,901 tons of paperboard in 1940, of which 36,369 tons was sold to customers and the balance fabricated. Over 22,500 tons were exported. Sales of containers were 14,726 tons and of cartons 10,479 tons. Total output of all paperboard products showed an increase of 28% last year.

The Canadian company reports net working capital on Dec. 31 last at $752,560, a gain of $165,167 over the year.

Bond Sales

Leaside, Ont.

Private sale to J. L. Graham & Co., Toronto, of $34,845 in debentures of the town of Leaside has been announced. The debentures carry coupons at the rate of 3½%, are dated Mar. 1, 1941, and mature in 15 annual installments. Funds are to be used for local improvements.

• • •

Lanark, Ont.

Wood, Gundy & Co., Toronto has purchased the latest issue of debentures of Lanark County at a cost basis of 2.96%. Issue is for $15,000 in installment debentures bearing 3½% coupons and maturing April 1, 1942-46, inclusive. The issue is for road construction. Following are the tendering firms:

Firm	Bid
Wood, Gundy & Co.	101.53
J. L. Graham & Co.	101.337
Fairclough & Co.	101.182
R. A. Daly Co.	101.03
Burns Bros. & Denton	101.03
Frank L. Craig	100.80
Dyment, Anderson & Co. ..	100.79
C. H. Burgess & Co.	100.63
Bell, Gouinlock & Co.	100.28

N. B. Expenses Rise Expected

Budget Provides for Greater Expenditure and Lower Revenue

Surplus on ordinary account of $31,301 is provided for by New Brunswick in the provincial budget for the year ending Oct. 31, 1941, brought down in Legislature by Hon. J. J. Hayes Doone, provincial secretary-treasurer.

Revenue is estimated at $10.1 millions, against actual revenue of $10.3 millions in 1940, a decrease of $162,289.

Surplus of $13,723 was budgetted for in 1940, but actual surplus was $538,143, because of an unexpected revenue. This surplus was the largest in the province's history.

Expenditure Estimates Higher

Expenditure of $10.1 millions is estimated for the year ending Oct. 31, 1941, compared with actual outlay of $9.8 millions in 1940 on ordinary account, an increase of $344,554.

Widest gain in anticipated revenue is shown in estimates for receipts from the new provincial tobacco tax. This levy yielded $22,548 in the few months it was effective last year. It is expected to yield $250,000 in 1941, a gain of $227,452.

Majority of estimates for other categories of revenue showed small decreases from the preceding year.

Increased expenditure is provided for in practically every department of government.

Investment Notes

Montreal Cottons — Orders for clothing totalling $1,154,313 were received by the company from the Department of Munitions and Supply in the week ended Feb. 28.

• • •

Canada Steamship Lines—Davie Shipbuilding & Repairing Co., subsidiary of Canada Steamship Lines, received orders totalling $3.3 millions from the Department of Munitions and Supply in the week ended Feb. 28.

• • •

Canadian Westinghouse — Orders for aircraft totalling $449,826 were received by the company from the Department of Munitions and Supply in the week ended Feb. 28.

• • •

Industrial Acceptance Corp.—Volume of retail business handled by the company for the first two months of the current year was more than 30% ahead of the same period in 1940. In 1940 as a whole the company's total volume was up about 13%.

• • •

Zellers — The company is understood to have started its new fiscal year with an increase of better than 25% in sales for February. This would closely approximate the 27% increase reported for the last fiscal year, which ended Jan. 31.

• • •

Moore Corp. — Attractive returns on Moore Corp. common in 1940 probably influenced the holders of 3,446 class A preference and 515 class B preference to convert their holdings into a total of 16,874 shares of common. The class A is convertible at any time into four common shares for each preference and the class B into six common shares. Both classes of preference carry a cumulative 7% dividend.

SHOWS MODERATE DROP

From Our Own Correspondent

MONTREAL.—Rate of production in the U. S. paper industry, according to the American Paper & Pulp Association index of paper mill activity, was 88.9% in the week ended March 1. This compares with 89.6% in the week of Feb. 22 and 83.5% in the week ended March 2, 1940.

Production in the American paperboard industry was at 82% of capacity in the week ended March 1 against 80% in the week ended Feb. 22.

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They've got genuine Buick all-coil springing, close to five feet of seat-room up front and the unmistakable touch of Buick quality in the lines, finish and equipment of their Unisteel Turret Top Bodies by Fisher.

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CANADIAN BUILT BY GENERAL MOTORS

The Editorial Page . .

Tourism Takes a Bump

There is much sobering information in the new report on Canada's tourist trade published last week by the Dominion Bureau of Statistics.

The report places tourist receipts for 1940 at $128 millions. Against this, Canadian expenditures in other countries (Canadian pleasure travel to the U.S. was not curtailed until midsummer) is estimated at $43 millions. The net balance in Canada's favor is therefore $85 millions. On the same basis our net balance in 1939 would have been about $78 millions.

The figure which will cause very real concern is the revised and emaciated estimate of annual tourist expenditures in Canada.

For years, official figures have taught us to believe that tourist expenditures in Canada were of the order of $250 to $300 millions annually. The new study explodes this fallaciously high total completely. It suggests that it is something like $80 to $90 millions too high.

For example, the "official" estimate in 1939 was $275 millions. The new revised figure says that a total of $164 millions would be more nearly correct.

Without assessing blame for the grossly misleading figures of past years attention must now be focussed on immediate remedies to boost tourist business to something like the figures we have grown accustomed to use in earlier years.

The Financial Post has repeatedly urged that our tourist trade is an export. In time of war it is one of our most vital and certainly one of our most lucrative exports. For that reason we have urged that its control and direction be undertaken by the Department of Trade and Commerce. This is the department fully equipped to handle export trade. It has trained salesmen (trade commissioners) in various parts of the world. It could give the present tourist organization (Canadian Travel Bureau) effective support and leadership.

If the disappointing result of 1940 is not to be repeated, no time should be lost in securing improved administrative leadership at Ottawa along these lines. Already Prime Minister King has fired the opening shot in the 1941 campaign by addressing an open letter to citizens of the United States urging them to visit Canada this year. He has assured potential guests that "the fact we are at war will not occasion the slightest interference with your enjoyment and freedom."

But experience has shown that letters of this type, excellent as they may be, are not sufficient to turn the trick. Only by the utmost co-ordination between public and private bodies and the effective use of our governmental machinery can we hope for the best results.

Recognition of tourism as an export would place control of our national effort where it rightfully belongs—under the direction of the Department of Trade and Commerce.

Boost For Canada

American capital investment in Canada, according to latest published figures, totals about $4,000 millions. Of this, $1,100 millions is in government securities and $500 millions in railway investments. There is almost a billion dollars invested in manufacturing establishments and $550 millions in public utilities. The remainder is in mining, insurance, merchandising and miscellaneous investment.

In its current issue, Barron's, a national U.S. financial weekly published in Boston, expresses in a signed article the utmost confidence in Canada's ability to continue to service these obligations. Since few voices are considered more authoritative in the realm of U. S. finance and investment this optimistic appraisal is significant.

The article says in part:

> "So far, Canada has been able to get all the American exchange needed and this state of affairs most probably will continue with the result that there now should be no doubt about Canada's ability to service her American-held debt.
>
> "...of all the belligerent nations it should be evident that Canada is in by far the least vulnerable position—win, lose or draw."

Essence of the Barron argument is this: although Canada had an estimated "deficit" on U.S. balance of payments of $255 millions in 1940 our credit balance with U.K. has risen hugely. In part payment of the U.K. account, Canada is receiving substantial amounts of Empire gold. This gold is available to offset the U.S. debit.

So long as this state of affairs persists, ($225 millions of Empire gold was reported transferred to Canada in the first 16 months of war) our net debit with the U.S. can "easily be handled by Canada for a period of at least 8 to 12 years."

The view is also expressed that "it may never be necessary for Canadian-held American securities to be liquidated."

The Financial Post's Platform For War

1. *Strengthening cabinet leadership by drawing on Canada's best executive brainpower irrespective of political considerations.*
2. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
3. *Appointment of a non-political industrial executive with complete authority to organize and direct procurement of munitions and supply.*
4. *Pay-as-we-go policy to the very limit consistent with an all-out war effort.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *A national programme to deal with post-war employment and relief problems.*

Winning the war has become the focus, for all effort, national or personal, in Canada. It requires full mobilization of the nation's material and spiritual resources.

To the fullest degree, this should be achieved by individual effort, freely made.

Strong national leadership will inspire service and sacrifice. In turn this will reduce the need for regimentation and compulsion.

Canada and Vichy

Canada is the chief channel of communication between the whole of the British Empire and the Vichy Government. This was made clear in Prime Minister King's recent statement. The first secretary of the former Canadian Legation in Paris, Pierre Dupuy, represents Canada at Vichy, with the full approval of the Government of the United Kingdom. His presence there has been of value to Mr. Churchill and other Prime Ministers of the Empire.

Canada is not represented at the headquarters of the De Gaulle movement because that movement is neither a government nor a country.

Last summer there was a good deal of bitterness in Canada in respect to the Petain Government in France. There is less bitterness now, and most people will "wait and see" before rendering final judgment. Certainly Marshal Petain has had a most difficult task to perform. He has made concessions to Hitler, but the important truth is that Hitler has not been able to achieve the complete domination of the Petain Government. He has failed to get his agent, Laval, into any post of influence. Weygand's vast African army is still not a tool of the Nazis. The remnants of the French fleet are not yet operating against us.

The French-speaking Canadian who represents Canada at Vichy has served a most useful purpose in maintaining at least a partially-opened door between the British Commonwealth of Nations and the people of defeated France.

"Government as Usual"

Study of the non-war "estimates" for the coming year raises some questions as to what happens when "economy" is practised at Ottawa.

We are now budgetting for the year April 1, 1941 to March 31, 1942, the third fiscal year to include months of war. A fair comparison, then, is to put down the new estimates beside the expenditures for the year to March 31, 1940, the last year in which the estimates were drafted in the days of peace.

The figures, eliminating war and National Defense expenditures compare as follows:

Actual expenditures	1939-1940	$523.3 millions
Estimates	1941-1942	432.9 millions

At first glance these figures suggest governmental economies in the amount of $90.4 millions.

However, some further analysis of the figures is in order.

The Government has had the benefit of some wholly fortuitous "savings" that are largely the result of the war itself. On the other hand, its "non-war" expenditures include some increases that are due to the war.

For instance, these items of expense in 1939-1940 do not appear in the new estimates:

Unemployment relief	$48.4 millions
Prairie farm assistance	4.5 "
C. N. R. deficit	40.1 "
Wheat losses	27. "

The favorable "breaks" total $120 millions.

The increase in routine expenditures traceable in whole or part to war include:

Interest on debt	$16.4 millions
Post office	4. "
Maritime freight subsidy	1.5 "
Coal subsidy	.5 "

These items total $22.4 millions.

Thus it would appear that the war has eased the "non-war" expenditures problem of the Government by a net amount of $97.6 millions.

If, then, the war has provided a net automatic saving of $97.6 millions, and if the actual reduction in "non-war" expenditures is $90.4 millions it would appear that the actual result of administrative "economies" is an increase of $7.2 millions.

The Government deserves credit for its decision to cut out direct relief grants, a decision that was an obvious one to make in view of the approach to "full employment" in Canada.

But the taxpayer, who is being asked to pull in his belt in order to divert food, materials, power, machinery and labor to the war effort, may well ask "where is the economy?"

Ottawa is not pulling in its belt; it is not giving leadership in sacrifice and self-denial.

Apparently the wartime slogan is "Government as usual."

If Ottawa is to carry conviction in its appeal for stringent economy it must conscientiously set to work to pare cost of peacetime services.

Editorials in Brief

Recently the Hon. C. D. Howe, Minister of Munitions and Supply, objected strenuously to The Financial Post reprinting editorials by buying "space" in daily papers in Canada.

He might take note that the United States picture magazine "Life" with over two million circulation bought a double-page spread recently in the New York Herald-Tribune to reprint a special editorial and obtain a wider reader audience.

* * *

Congratulations to Sun Life of Canada for breaking with 69 years of tradition and printing its annual report in bright, readable form with an excellent "human interest" introduction on the story behind "your" policy.

The report is a 16-page brochure entitled "Sun Life of Canada Reports to You." Printed in two colors, it contains President Wood's admirable address to the annual meeting, a dignified sales talk on how life insurance fills four basic needs, and puts in a friendly word for your life insurance agent "good neighbor." It wisely urges that you "let him get to know you better."

The final word of advice is equally sound: "It's Good Citizenship to Own Life Assurance."

* * *

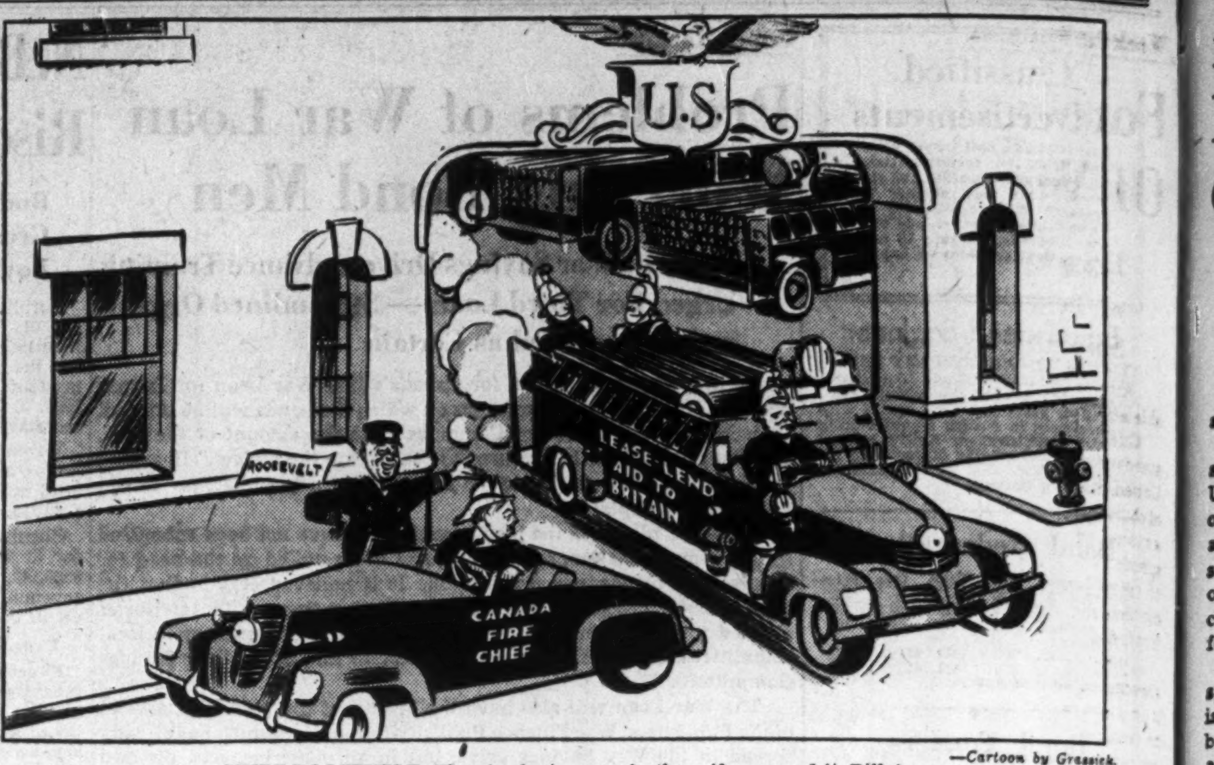
As income taxes rise it becomes increasingly profitable—other things being equal—for the head of a family to own his own home.

Consider the comparative positions of the man owning a $10,000 house and a man renting a similar house, but having his $10,000 invested in stocks and bonds. If the securities yield, say, 5%, the renter has an income of $500 out of which he must pay taxes. His top bracket is likely to run anywhere from 25% to 75%. But the man who has put $10,000 in his home and therefore clips no coupons on that $10,000, taking his return rather in the form of housing accommodation, pays no tax at all on the income value created.

Similarly it is becoming increasingly profitable for a home owner with a mortgage on his house to refrain from investing in other types of securities until he owns his property clear of all liabilities.

In Great Britain, we understand, where a person owns or occupies a house he had to include a theoretical amount in his annual income tax return for the value of his accommodation. In Canada it is likely that the advantages of building up a nation of home-owners will weigh with the authorities and cause them to think twice before putting a tax on an "income" that is never received in cash.

Many other factors enter into the comparative value of home-owning and renting. The advantages have been in favor of the renter in recent years. But here indeed is one point that may grow more and more in influence.



—Cartoon by Grassick.

CHIEF ROOSEVELT: There's plenty more in there if you need it, Billy.

Post-Scripts . . . .

Savings

Not long ago a friend of ours subscribed the top limit in War Savings Certificates. He was abashed when Ottawa mailed him six separate envelopes each with enclosures, forms, etc. He wrote at once to Ottawa to draw attention to this "public waste."

HON. J. L. ILSLEY

Back came a personal letter from Hon. J. L. Ilsley, Minister of Finance.

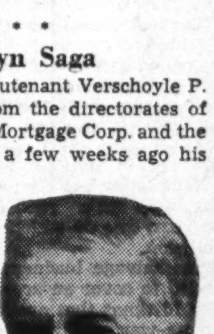
Mr. Ilsley thanked him for his comment. He admitted that, on the surface, this looked like a clean-cut case of inefficiency and extravagance.

Mr. Ilsley went on to say that the whole matter had been gone into very carefully. It was found that by using automatic machinery which collected the enclosures, pamphlets, etc., war loan applications and certificates could be handled more cheaply if the mechanical mailing system were used, even though this meant that those who contributed more than once had their applications attended to separately rather than collectively.

* * *

Cronyn Saga

When Flight-Lieutenant Verschoyle P. Cronyn retired from the directorates of the Huron & Erie Mortgage Corp. and the Canada Trust Co. a few weeks ago his place was taken by Richard H. Cronyn, who had been a member of the organization since 1919.



VERSCHOYLE CRONYN

A little investigation by this column disclosed that both these men were "third generation" Cronyns, men well fitted to carry on the splendid tradition established by the founder of the two companies (the late Verschoyle Cronyn, K.C.) in 1864.

* * *

The Cronyn saga really starts with a minister of the Gospel. The Rt. Rev. Benjamin Cronyn, LL.D., was born in Kilkenny, Ireland, graduated from Trinity College, Dublin, was Divinity prizeman in 1824, took up his first curacy in Cumberland County, England. He then moved to Kilcormick, County Longford, Ireland, married Margaret Bickerstaff, and came to Canada in 1832. On arriving in London, Ont., he became the incumbent for the Church of England. Four years later, on the creation of the rectories of St. Pauls, London, and St. Johns, London Township, he was appointed by patent from the Crown, rector of those parishes. In 1857 he was named First Bishop of Huron, with headquarters at London, and was consecrated at Lambeth, England, by the Archbishop of Canterbury later in the year.

* * *

Verschoyle Cronyn, K.C., his eldest son, was the first white child born in London, Ont. He was called to the Bar in 1857 and afterward took his brother, Benjamin Cronyn, into partnership, the firm being known originally as Cronyn and Cronyn.

In 1864 Mr. Cronyn organized the Huron & Erie Mortgage Corp. and was one of the twenty-five charter shareholders. He was a director from 1894 until 1904 and vice-president from then until 1907. He served as president of the Canada Trust Co. from 1901, the year it was founded, to 1907, and as director until 1920.

For many years he was chancellor of the diocese of Huron. He was organizer and chief owner for some years of the original London Street Railway. At that time the cars were drawn by horses. His firm acted as solicitor for the two companies over a long period of years. He died in 1920.

* * *

In 1907 his son, Major Cronyn, severed his connection with his father's law firm and became general manager of the Huron & Erie and the Canada Trust Co. Major Cronyn was educated at Dr. Tassie's grammar school at London, later graduating from the University of Toronto. In 1892 he married a daughter of the late John Labatt.

Major Cronyn was elected Unionist member for London in 1917. For twelve years he was chairman of the Board of Arbitration between the City of Toronto and the Toronto Street Railway Company. In 1935 he was appointed a member of the Royal Commission to report on the coal industry of Nova Scotia. This was the famous Duncan Commission headed by Sir Andrew Rae Duncan, now British Minister of Supply. In 1926 he was selected a member of the Council of the National Research Institute and was a member of that body until his death in 1933.

Major Cronyn was also closely identified with the Mutual Life of Canada. Elected a director in 1907 he was chosen president thirteen years later, which position he held until 1929.

* * *

Fl.-Lieut. Verschoyle P. Cronyn is a member of the insurance underwriting firm of Cronyn, Pocock and Robinson, of London. He was elected to the boards of the Huron & Erie and the Canada Trust Co. in 1930. A veteran of the last war, he enlisted in September, 1939, and was called to service last July. At that time he was posted to the administrative course at Trenton and subsequently at Camp Borden and Dunnville. He was the first Londoner to enter the Royal Flying Corps in the Great War and was the first aviator to fly a military plane in his native city. He resigned his directorates because he felt his military duties would necessitate absence from meetings for long periods.

* * *

The new director, Richard H. Cronyn, has been with the organization which his grandfather founded, since 1919. In 1926 he became head office accountant and five years later was appointed assistant secretary for both companies. He served in that capacity until 1937, when he was named trust executive for the Canada Trust Co.

RICHARD H. CRONYN

He is a director of John Labatt, Ltd., vice-president of the London Elementary Flying Training School, which is a British Commonwealth Air Training Plan unit. In the Great War he served in the Royal Flying Corps.

* * *

Carpenter's Copra

A picturesque figure destined to become an important factor in British Columbia's industrial life is Sir Walter Carpenter, Australian shipping man, who is behind the establishment of a $250,000 copra plant in Vancouver—the first of its kind in Canada.

Construction of this plant is now under way on Vancouver's waterfront, and early this spring it will be in full operation, converting shipments of cocoanut shells from the South Seas into a variety of vegetable oils for the Canadian market. With Sir Walter are associated E. E. Buckerfield, Vancouver grain man and bank director; E. F. Riddle, Vancouver shipping man; and other business leaders of the west coast.

* * *

Sir Walter Carpenter, like Henry Ford, believes in the theory of controlling the source of supply as well as production and distribution. He and his Australian associates own vast plantations in Fiji, New Guinea, and other parts of Australasia which provide the raw material. He operates a line of freight ships which will be utilized in carrying the dried copra to British Columbia, and now he is providing the facilities for manufacture of vegetable oils and other products of copra. Before the war he shipped much of his copra direct to the British Isles or to the United States.

"Launching the copra industry in British Columbia is good business not only for my companies but in the interests of Empire trade," said Sir Walter during a recent visit to Vancouver.

"We in Australia need many of the things which you in Canada can produce far better than we can. You in Canada should make more use of Australian goods. I think it is unfortunate that in the past Australians have been obliged to buy far more heavily in Canada than Canadians have bought in Australia. There are good economic reasons for that, of course, but I think that we should do all we can to encourage a better balance of trade if it is at all feasible. In a small way I think that the copra industry will further that design."

* * *

The Vancouver plant is being equipped to handle 150 tons of copra daily. In addition it will absorb large quantities of soya beans which Sir Walter is growing in New Guinea. Soya bean oil and meal have won an important place in industry, and Henry Ford's experimental laboratories have developed recently many new plastic uses for soy beans. Canada uses 40,000,000 pounds of copra oil annually, and most of this will now be produced in Vancouver.

Before the war Sir Walter operated a fleet of 10,000-ton and 5,000-ton cargo ships. The British Admiralty has commandeered the larger vessels, but he has three of the smaller craft and these will be placed in the copra-soya service between Australasia and Vancouver. They will also bring other southern products and for return cargo will carry lumber, pulp and paper, canned salmon, manufactured goods and other Canadian products.

A veteran South Seas trader, Sir Walter was once the Mayor of Thursday Island centre of the beche-de-mer industry. He also operated pearl fisheries in the Torres Straits; in fact at one time or another has played a hand in almost every branch of Australasian commerce. He was knighted in 1936 partly in recognition of his industrial achievements and partly because of his work for child welfare projects in Australia.

* * *

Stop Me If . . . .

A father and his small son were on a train. Across the aisle were seated two soldiers. Pointing to one of them, the boy asked:

"Daddy, what's he goin' to do?"

"Capture Hitler," the father replied.

The little boy pondered the matter for a moment, and then asked:

"Well, what's the other one going to do?"

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Other People's Views . . . . .

The Canadian Editorial of the Week

Canada's War Effort
Toronto Telegram

Speaking from his place in the House of Commons upon aircraft production, J. G. Diefenbaker went to the heart of the matter with a question: "Is the aircraft production situation in Canada what it should be?" That is a question which, after 18 months of war, a competent minister in a competent government should be able to face with confidence. Mr. Howe does not even seem to realize its significance. Admitting the failure of the Government organization, he thinks it in some way excuses him that private companies have been behindhand, and gives no sign of belief that he is in any way responsible for their output. Not only is the situation not as it should be, there is nothing to induce the belief that the minister means to mend matters or that he knows how much they must be mended.

Mr. Diefenbaker's question might be made more specific: Is Canada's effort in output of aircraft, tanks and munitions what it would be if the war were brought home to her cities, towns and countryside? That is the question by which our effort should be judged. It is a question we do not ask ourselves because we believe Britain will win without our utmost effort. To believe that, and to shape our conduct on that belief, is sheer lunacy. If we really knew what was happening, if we had learned the lessons of the past, if we realized the danger in the present, we should be working at fever heat to avert a catastrophe that may come and that, if it comes, will overwhelm our civilization.

Mr. Howe questions the value of the criticism that has come from the press and the opposition. The criticism, whatever its merit, has had one considerable effect—it has compelled the minister to reveal that the situation is not satisfactory, either in the government organization or in industry as a whole. If continued, it will compel him to use the Government's powers to improve matters, or it will compel him to give way to someone who knows the country's need and how to meet it.

* * *

As Others See Us

Calls for a Showdown
Charlottetown Guardian

The failure of Federal Aircraft Ltd., a government-owned corporation, to deal with the vitally important problem of aircraft production has been the subject of repeated criticism in such leading Liberal newspapers as the Winnipeg Free Press, and such authoritative, independent journals as The Financial Post and Canadian Aviation. It is not surprising, therefore, that Hon. R. B. Hanson, leader of the Opposition, should insist on his right to bring this matter to the attention of the House of Commons.

Mr. King's plain course, and that of his cabinet colleagues, is to welcome constructive criticism and give every possible opportunity for discussion and enquiry.

* * *

Striking Illustration
Acton Free Press

A very effective way of reckoning these days is through terms of what the matter under discussion means to the war effort. For instance, we noticed that a labor man told striking employees what it meant in planes for the war, reckoned on the number of hours of labor lost in the strike. Rather an effective way of bringing about a realization of the seriousness of the matter.

Recently the Financial Post carried a feature article, in the second section (and incidentally we often think that the Post's second section is helping Canada more than the first section) showing that industry's annual loss from sickness meant 3,750 planes. This is estimated loss through preventable sickness. Reckoned in this way, the seriousness of the situation again comes home forcibly.

* * *

The Mail-box

No Passports Needed

Editor, The Financial Post:

Recently I have been reading in your paper a number of articles in regard to American Tourist Trade to Canada this coming season.

Last year there was a lot of propaganda in regard to the difficulties for Americans going into Canada. I believe it did affect the tourist trade.

This same propaganda seems to be afloat again this year. I was told last week that it would be necessary for Americans to have passports going into Canada.

When you come to question where this information came from you are unable to pin it down, it is only something they heard.

I was born in Canada and still have friends and relatives in Toronto and vicinity and look forward to my summer vacation up there.

In advertising Canada as a place to spend one's vacation, it might be well for the Government or railroads to stress the point that passports are not necessary, otherwise it is likely to be a repetition of last year.

WILLIAM G. BLAIN.
Philadelphia, Pa.

* * *

Railway Wages

Editor, The Financial Post:

I note your article in the Feb. 15 issue on the demands of Railway Employees for a "Cost of Living" bonus and I trust you will oppose this demand as vigorously as you do all unreasonable ones. Perhaps a few additional comments will not be out of place.

Railway employees often try to justify their high rates, compared with other workers, by emphasizing the hazards of their occupation. This may be a partial justification in peacetime, but it certainly isn't in wartime, when soldiers get $1.30 a day for the most dangerous occupation of all. Railway employees also, even with their high rates of pay, get passes which the Government does not feel it can afford to give its soldiers.

For years the remainder of the population, employed at lower rates, has paid taxes to maintain the higher rates of railway employees. Now the railway employees ask the same remainder, with already increased taxes, to pay another $8,000,000 to enable them to have a bonus.

Perhaps a bonus is fully justified for the lower paid railway employees. If so it should come from the higher paid. It is interesting to note here that passenger engineers in Canada receive 3.85 times the hourly rate of section men, whereas in England, before the war, the ratio was 2 to 1.

Concurrently American railway employees are asking for paid vacations. Canadian railway employees follow American railway employees' demands very closely and so soon we can expect a similar demand here. This would cost another $4,000,000 for only one week. And this demand would be by employees who get their employers' product free, in the form of passes. Other employees generally pay 60%.

Subscriber.

* * *

Sayings of the Week

"I am certainly not going to give any more forecasts; hon. members may be sure of that."—*Hon. C. D. Howe.*

* * *

"The question of what kind of world our children will live in is being asked us now."—*Mrs. Wendell L. Willkie.*

* * *

"Greece knows that the whole world is with her, for humanity, rising above baser calculations of interest, always sponsors a just cause."—*Prime Minister Alexander Korizis.*

* * *

"We could double our planned output of airplanes and tanks and merchant ships and guns in 1942 if we would but buckle to the task now."—*Ex-Ambassador William Bullitt.*

* * *

"It is not fair to ask us to do nothing in Ottawa but twiddle our thumbs, especially in view of the critical situation confronting Canada and the rest of the Empire."—*Senator William Duff.*

* * *

"When you come to Canada you will be able to cross the border without difficulty; you will need no passport; you will suffer no restrictions; you will be as free in our country as you are in your own."—*Prime Minister King to the citizens of the United States.*

* * *

"The real issue is an issue between the frenzy on the one side of a herded, whipped-up, crowd-begotten cause, and on the other side the single man's belief in liberty of the mind and of the spirit and his willingness to sacrifice his goods and comforts and his earnings for its sake."—*Archibald MacLeish.*

Week in Business

Forecast Unification Of War Equipment

Lease Lend Plan Seen as Cutting Down Number of Types in Use — Labor Scarcity Handicaps Shipbuilding Campaign

Attention of Canadian business is naturally turning on the probable effect of the lease lend bill on Canadian industry.

One result already foreseen is a drive for the fullest possible standardization of war equipment among the armed services of the United States and between American and British services. This would of course affect Canada. The idea behind the drive is to make possible a system of single order production under which the output would be speeded up. It would tend to bring operations affecting the production of tanks, airplanes, ordnances and technical instruments under one control, and would probably tend to eliminate bottlenecks due to differences in design and standards.

Under this plan production of airplanes, for instance, would be speeded up by having parts interchangeable. Another example quoted is in storage batteries where the number of types and sizes would be reduced. A move similar to this was taken in Canada some time ago when the number of steel shapes under manufacture was cut substantially.

* * *

Announcement this week, that Canada would soon start construction of destroyers in a big way gives a further fillip to the shipbuilding industry in this country.

Discussion of the proposal in Parliament, however, emphasized the shortage of skilled shipbuilders that exists in Canada. For many years Canadian shipyards were not active and a relatively small number of workers trained. The sudden outburst of activity following the Government demand for corvettes and other light types of vessels has evidently strained the existing supply of skilled shipbuilding labor.

* * *

Effect of the war business on employment is evident in the report of the Dominion Bureau of Statistics on employment conditions as at Feb. 1. This showed an increase of almost 1% from January. The rise is noteworthy because the trend is contrary to that usually seen at that season in the last three years. The most pronounced gain has been in the iron and steel and allied industries although other branches of activity such as textiles also improved.

Carloadings and railway earnings continue to reflect the larger volume of business both showing increases over last year in spite of smaller movement of grain.

Business Indicators

Current business active with D. B. S. index for week ended March 1 well above previous week and last year.

Railway carloadings for week ended March 1 about 15% above 1940.

Railway traffic earnings for first week of March higher than year ago, for both railroads.

Livestock sales of cattle and hogs in February up from last year.

Automobiles—sales of passenger cars in January below 1940 level, truck sales higher.

Sugar grindings in four weeks to Feb. 22 almost 30% larger than year ago.

Trend of business shown by The Financial Post Business Index and following key factors, new items for the week being marked thus ▪.

TREND OF BUSINESS—	Mar. 1	Feb. 22	Feb. 15	Feb. 8	Mar. 2/40
Weekly index of business, D.B.S.	110.7	107.3	108.1	106.1	103.9
Commodity prices index no.	85.3	85.1	85.0	85.0	82.8
	Jan.	Dec.	Nov.	Oct.	Year Ago
The Financial Post business index	°154.6	152.9	153.4	151.7	132.9
▪Retail sales index no.	124.2	131.0	123.1	120.0	110.8
Dept. stores sales index no.	122.6	132.2	128.5	120.9	112.6
▪Wholesale sales index no.	106.1	125.0	131.7	143.4	98.0
▪Country store (% change pr. yr.)	+2.4	+3.8	+15.4	+3.6	+11.9
EMPLOYMENT INDEX Nos., D.B.S.	Feb. 1	Jan. 1	Dec. 1	Nov. 1	Year Ago
▪All industries	135.2	134.2	139.1	139.2	114.4
▪Manufacturing	147.4	142.5	144.7	144.6	120.5
Living costs weekly budget	....	$18.26	$18.22	$18.14	$17.70

			Jan. 1 to date		%
RAILWAYS	1940-41	1939-40	1940-41	1939-40	Change
▪Carloadings (week Mar. 1)	55,815	48,348	469,524	425,490	+10.3
▪C.N.R. gross (week Mar. 7) $	5,094,144	4,095,938	46,264,605	39,420,429	+17.3
▪C.P.R. gross (week Mar. 7) $	3,472,000	2,666,000	32,264,000	26,826,000	+20.3
C.N.R. net revenue (Jan.) $	3,150,394	1,671,796	....	....	+88.5
C.P.R. net revenue (Jan.) $	2,665,761	1,828,505	....	....	+45.8
IRON AND STEEL—Jan.—					
Pig iron production (tons)	103,085	104,703	....	....	—1.5
Steel ingots and castings prod. .... (tons)	186,303	166,496	....	....	+11.9
AUTOMOBILES—(Number)—					
Passenger Cars:					
▪Domestic sales* .. (Jan.)	5,727	6,738	....	....	—15.0
Factory output ... (Jan.)	11,990	12,579	....	....	—4.6
Trucks and Buses:					
▪Domestic sales* .. (Jan.)	2,279	2,036	....	....	+11.9
Factory output ... (Jan.)	11,205	4,634	....	....	+141.8
Financing:					
Used .... (Jan.) $	2,407,151	1,793,219	....	....	+34.2
New .... (Jan.) $	2,137,869	1,834,988	....	....	+16.5
CONSTRUCTION—					
Contracts awarded .. (Feb.) $	24,704,600	11,768,900	51,284,400	20,613,600	+148.8
Cement prod., bbls. (Oct.)	1,099,092	680,902	6,627,710	5,104,383	+29.8
AGRICULTURE—					
▪Flour prod., bbls. .. (Jan.)	1,177,000	1,266,303	....	....	—7.0
Flour exp., bbls. ... (Jan.)	354,818	725,316	......	......	—51.1
Wheat exp., bush. ... (Jan.)	4,880,080	10,357,605	......	......	—52.9
▪Cattle sales▲ .... (Feb.)	68,750	60,979	152,457	144,613	+5.4
▪Hog sales▲ .... (Feb.)	511,468	372,055	1,043,727	765,253	+36.3
SEA FISHERIES—‡					
Catch cwts. .... (Jan.)	591,900	1,025,900	......	......	—42.3
Landed value .... (Jan.)	653,100	746,500	......	......	—12.5
NEWSPRINT—					
Production, tons ... (Jan.)	261,298	251,032	....	....	+4.1
Exports, tons .... (Dec.)	263,450	255,258	3,242,786	2,658,690	+21.9
MINING AND OILS—					
Coal prod., tons ... (Dec.)	1,643,092	1,485,826	17,434,394	15,692,698	+11.1
Coal imports, tons .. (Dec.)	842,407	1,157,869	17,546,107	13,884,816	+26.5
Gold prod., fine oz. (Jan.)	461,602	424,381	......	......	+8.7
Crude oil prod., bbl. (Nov.)	893,438	731,209	7,979,599	7,334,583	+8.8
Crude oil imp., bbl. (Dec.)	2,212,246	1,793,830	42,415,300	37,311,430	+13.7
ELECTRIC POWER OUTPUT—(January)—					
▪Total monthly, 1,000 kw.h.'s	2,634,695	2,526,143	....	....	+4.3
FOREIGN TRADE—♦					
▪Imports .... (Jan.)	98,382,462	71,104,145	....	....	+38.3
Exports .... (Jan.)	88,952,659	90,853,837	....	....	—2.0
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. ...... (Jan.)	164,892	167,527	......	......	—1.6
Shoes, prod., pr. ... (Dec.)	2,044,725	2,208,374	26,261,088	25,438,631	+3.2
Cotton consump., lb. (Jan.)	15,679,582	13,673,514	......	......	+14.7
Raw rubber imp., lb (Dec.)	16,321,954	6,218,159	113,773,959	70,212,487	+62.0
Cigarette cons. No.† (Jan.)	623,571	634,272	....	....	—1.6
▪Sugar manufactured . lb.§	43,313,001	33,158,321	81,234,157	87,886,708	—7.5
FINANCE—					
Bank debits† .... (Jan.) $	2,941,104	2,674,335	......	......	+10.0
Bond sales† .... (Jan.)	81,130	308,188	....	....	....
Life insurance sales (Jan.) $	28,326,000	33,726,000	....	....	—16.0

*D.B.S. All Canada figure covering over 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. °Preliminary.
▲Total at yards and plants.
New items for week marked ▪
†000's omitted. §For four weeks to Feb. 22. ♦Gold excluded.

NOTICE TO EXCHANGE SECURITIES

To Holders of

Minnesota and Ontario Paper Company

First Mortgage 6% Gold Bonds

Five-Year 6% Gold Notes

or

Certificates of Deposit therefor

The Amended Plan of Reorganization of Minnesota and Ontario Paper Company (a Maine corporation) dated July 16, 1940, was confirmed by the United States District Court, District of Minnesota, Fourth Division, on January 10, 1941. Pursuant to orders of the Court, the Plan was consummated February 28, 1941.

On the latter date the new company, Minnesota and Ontario Paper Company (a Minnesota corporation), acquired all of the assets of the old company (the Maine corporation) and of the Trustees thereof. Thereupon all claims affected by the Plan, including First Mortgage 6% Gold Bonds and Five-Year 6% Gold Notes (hereinafter referred to collectively as "old securities") and Certificates of Deposit therefor became exchangeable only for new securities and cash payments as provided in the Plan.

The new company has appointed Halsey, Stuart & Co. Inc., as its Exchange Agent to effect exchanges of securities and claims pursuant to the Plan. Notice is hereby given that the new securities and cash payments provided under the Plan are now ready for distribution and may be obtained from Halsey, Stuart & Co. Inc., upon delivery, in proper form, of the old securities or Certificates of Deposit therefor to Halsey, Stuart & Co. Inc., at its office at 201 South La Salle Street, Chicago, Illinois.

For the convenience of holders residing in Canada, all branches in Canada of the Bank of Montreal are authorized to accept and forward old securities or Certificates of Deposit therefor to Halsey, Stuart & Co. Inc., Exchange Agent.

All old securities or Certificates of Deposit therefor must be accompanied by an executed Letter of Transmittal, forms of which have been sent to all known holders. Copies of this form are obtainable at the office of Halsey, Stuart & Co. Inc., 201 South La Salle Street, Chicago, Illinois and at any branch in Canada of the Bank of Montreal.

MINNESOTA AND ONTARIO PAPER COMPANY
(A MINNESOTA CORPORATION)

By HALSEY, STUART & CO. INC.
EXCHANGE AGENT

201 South La Salle Street
Chicago, Illinois

Dated March 6, 1941

Massey-Harris Takes Loss In Europe

Sales Up 11% Last Year With Profit Also Rising —Has War Contracts

Massey-Harris Co. has written its net assets in Denmark, France and Belgium down to $3, necessitating a charge of $1.3 million. This follows a write-down of $682,586 a year ago to bring the valuation of assets in Germany to $1.

The company has just reported for the year ended Nov. 30, 1940, showing a gain of 11% in sales, without including any war contracts and in spite of the loss of all sales on Continental Europe. In spite of depressed conditions in South America, business gains in Canada, Great Britain, United States and South Africa more than compensated for the loss of European sales.

The directors' report states that:

"During the year British and Canadian Government contracts were secured for the production of shells, transport bodies and aircraft components, the production of which is progressing satisfactorily. Because of the preparatory expense in connection with these contracts, a small loss was incurred on these operations up to Nov. 30."

Disposition of Funds

The directors show the disposition of funds during the year ended Nov. 30, 1940, as follows:

Disposition of Funds

	$
Net profit for year	805,569
Depr. which isn't a cash expend.	388,254
Incr. in conting. & pension res.	23,860
	1,217,683
Payment of bond serial install.	500,000
Net expenditure on plant	303,838
Net curr. assets in France, Denmark & Belgium w/o	989,135
	1,792,973
Reduction in net current assets	575,290

Inventories are up $810,981 this year to $14.4 millions, but it is stated that the rise would have been greater had it not been for writing off inventories in Europe. It is stated that "the widespread and seasonal nature of our business requires the carrying of important stocks of raw materials and finished goods in our factories, warehouses and transfer points. Delays in obtaining raw materials, lack of shipping facilities, etc., due to war conditions, have resulted in the necessity of carrying larger inventories, and this trend, in spite of strict control, will be more marked as the above-mentioned difficulties are accentuated." Inventory reserve amounts to 10.15% of the book value.

Improve Machines

Certain new machines were introduced last year. These include: A smaller self-propelled combine; the small "81" tractor and the large "201" and "202" models; a green hay harvester; corn planters; disc and walking plows; a power binder; a cream separator; a small spreader; disc and tandem harrows; one-way discs; a power lift mower.

Crop conditions in the countries in which Massey-Harris operates were featured last year by generally heavier yields but less satisfactory selling conditions. The world wheat carryover reached an all-time peak, bringing a serious problem to the four largest wheat-exporting countries, Canada, United States, Argentina and Australia.

Crop Conditions

In Canada it is stated that even under normal conditions, a near-record wheat crop such as was harvested last year would have been a problem. Canadian farm cash income last year was 2% higher than in 1939 and almost $200 millions in excess of the previous 10-year average.

In the United States total estimated cash farm income is $9,094 millions, or more than 6% in excess of the final estimate for 1939. High winds, torrential rain and hail reduced the estimates of wheat crops in Argentina, as well as hampering harvesting and reducing quality. The crop is still about 2½ times that of 1939. Loss of export markets has left a large surplus. Much the same conditions have affected other Argentine field crops. In South Africa an increase in the wheat crop from 15.3 million bushels to 16.5 million bushels is reported, but some injury to quality resulted from unfavorable weather. New Zealand reported a normal wheat orop.

Keeping Posted . . . .

By J. C. KIRKWOOD

The soldier and his spare time problems — what about him and them? Here's an answer to this question: "The truth is that the mental, moral and physical standards of the service men of 1941 is higher than the average of the years between 1914 and 1918." This is the considered opinion of Frederick Edwards, distinguished Canadian journalist, who was asked by the editor of Chatelaine to report on the soldier's life in his spare time periods.

JOHN C. KIRKWOOD

"The war is a great breeder of rumors," says Mr. Edwards. "There have been rumors of drunkenness, of assaults upon women, of robbery with violence, of deserted families left destitute, of prostitutes gathering at camp barriers, and of venereal disease being widespread."

So. Mr. Edwards went about the country, especially to camp areas, to trace some of these disturbing hearsays to their sources, and to discover just how much is true, how much false. His findings are in the March Chatelaine, in which he tells what is being done to safeguard our soldiers and to provide them with wholesome occupations for their spare time.

Mr. Edwards ends his report: "Pay no attention to sensational stories of evil conditions in and around the camps. In most cases they are not true. In almost every case they reach alarming proportions only because each person who repeats them adds his or her own little bit of florid embroidery."

* * *

— With Cheese?

When you stand before a soda fountain in a hotel, drugstore, restaurant or department store, you may be quite unconscious of the sales art of the man or girl who serves you. Look at the art of a "soda jerker" as practised in a large drugstore. Here all soda fountain employees are paid on the basis of sales performance, and each employee is assigned a sales quota based on the activity of the store. Each employee's average sale and the number of customers served are recorded and the scoreboard in the locker room informs each of his achievement. This scoreboard is a sales incentive. It led to giving customers a better and faster service, to a lessening of employee carelessness, to lessening of the reply, "Sorry, but we're out of that."

Employees do a better job of "suggestive" selling—as, for example: each ham sandwich order is met with the query, "With tomato or Swiss cheese, please?" The extra five-cent sale is the object. Customers are not asked, when ordering Coca-Cola, if they want a small or a large one; the dispenser suggests half of a fresh lime, costing the customer an extra two cents. If the customer asks for an ice cream soda he is asked, "Would you like a Penn Special Soda? It is 20 cents and is well worth trying." Ice cream is always suggested when pie is ordered.

There is an article on this subject of soda fountain service in the February issue of Canadian Hotel Review and Restaurant which would be read by every operator with definite advantage.

* * *

Orange Event

The color yellow and its cognate color, orange, give seedsmen and paint manufacturers great vexation. In sweet peas, by way of example, are every color except yellow. The cross-breeders of sweet peas have produced a deep cream color, but not a real yellow. In respect of paint, a permanent natural orange is one of the most difficult colors to produce, yet it has been done—after 20 years of experiment! The makers of the beverage Orange Crush want their trucks — which traverse the highways in every part of Canada—to have on orange color. But until quite recently any uniformity in the shade of the orange paint was almost an impossibility. In the end Imperial Varnish and Color Company, Toronto, produced an enamel which has proved completely satisfactory.

Outdoor display signs, like the trucks, are now painted with the enduring orange enamel. It bears the name "Orange Crush Outdoor Sign Paint."

* * *

Why Lose Customers?

All retailers everywhere lose customers, and the explanations are various: death, disaffection, preference for competitive establishments, the lure of competitor's advertising —these are some of the reasons.

G. W. Sulley of the Merchandise Service Bureau of the National Cash Register Company, Dayton, Ohio, at the recently held convention in Toronto of the Ontario Retail Hardware Dealers Association said:

"There is the temptation for people to shop around. How are you going to hold them to your store? Well, nothing in the world will beat instant recognition of their presence, knowledge of their likes and dislikes, helpful suggestions about the merchandise, correct prices, and accuracy in totalling items. Customers don't like delays in service, and they dislike indifferent sales people or attempted substitution." Then Mr. Sulley went on to speak of sales people, saying: "The thing they need most of all is help in closing sales, because they actually attempt to close sales only about three times out of ten."

The address of Mr. Sulley is given in full in the March 1 issue of Hardware and Metal.

* * *

Cards and Crackers

"It has been interesting — this building of a business in 25 years, from the product of one little hand die stamping press to the position occupied by us in the greeting card industry today," said William E. Coutts of the Toronto greeting card company that bears his own name, to Canadian Bookseller and Stationer, on the occasion of the company's silver jubilee. Mr. Coutts is convinced that there is a better opportunity today in the greeting card field than ever before.

In this same issue of Bookseller is a story of a Victoria man's hobby—the making of Christmas crackers. Only five years ago Frederick V. Richardson began making, as a pastime, a machine which would make Christmas crackers. He found a ready sale for his home-made crackers, selling 500 boxes the first year. Then he founded the Canadian Christmas Cracker Company, and sold 75 per cent of all the crackers that last year decorated the Christmas trees of Canada — a total of 120,000 boxes.

Your Income Tax Problems

From now until April 30, deadline for filing personal income tax returns, The Financial Post will answer questions from subscribers about their income and national defense taxes, as to exemptions to which they may be entitled, methods of payment, etc.

Enquiries are invited.

Fines and Penalties

During the year our firm was fined a substantial sum of money for a purely technical breach of a Dominion law. In calculating our income tax are we allowed to regard this item as an expense?

No. Fines and penalties imposed in courts of law may not be deducted as a cost of doing business. The view of the income tax authorities is that to permit such deductions would be to mitigate the penalty duly imposed.

If a corporation were fined, say, $50,000 for a breach of the Combines Investigation Act the sum would not be deductible. If a doctor were fined, say, $5 for speeding to a sick patient his fine would not be regarded as a proper expense.

On the other hand, the legal and court expenses involved in fighting the case would be regarded as a deductible expense item.

Coupons Not Cashed

I hold some Alberta bonds. The interest has been cut in two. I have not been cashing the coupons and derive no income from them. Should they be included in my statement of income for income tax?

As you are not receiving any income from these bonds you do not have to include them in your income tax statement. The income tax department is interested only in the income you actually received during the year, and until you cash the coupons you do not receive the income.

Fire Insurance Premiums

I am a property owner and have several buildings which I rent. These include houses and stores. I have to carry fire insurance on them. Can I deduct the premium for fire insurance on this property?

Yes, you are entitled to deduct the premiums you pay for fire insurance on properties which you rent to other people. Under this heading may be deducted premiums paid for lightning and cylone damage as well as premiums for insurance for loss of rents through fire.

U. S. Divorce

When a man's wife has gone to the United States and taken out a divorce from him there does he still rank as a married man for income tax purposes?

Unless the United States divorce is recognized by the Canadian authorities, he would still be regarded as a married man and as such entitled to a married man's exemptions.

TRENDS IN THE FIELD OF INVESTMENT

Facilities for studying the frequent changes in the field of investment and the status of securities are available to this organization through its branches. These facilities are at the disposal of our clients at any of our offices.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO

Montreal Winnipeg Vancouver Victoria New York London, Eng.

Investment Securities

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto

Offices at Toronto, Montreal, Ottawa, Hamilton, London.
Correspondents in New York and London, England.

ACME

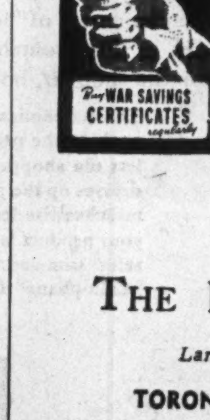
STYLISH GLOVES

Look for the ACME trademark when you buy — a guarantee of correct style and outstanding value.

ACME GLOVE WORKS LIMITED, MONTREAL

Strange how every street has its good shopping side

It is almost impossible to make people switch from one side of a street which they prefer, to the other to do their shopping. The same idea persists in daily newspapers. Every city has its newspaper which is chosen by the people for its advertising value. In Toronto it is The Telegram. For over sixty years Toronto people have persisted in using its columns for their advertising, with the result that it carries more Classified advertisements than the other local papers—more in fact than any other daily newspaper in Canada. This is one of the strongest recommendations it could have to the buyer of display space as to its standing in Canada's greatest consumer market.



TORONTO IS A "TELEGRAM" CITY

THE EVENING TELEGRAM

Largest Classified Linage in Canada

TORONTO CANADA

MONTREAL: E. R. CHOWN, Dominion Square Building

To the Metal-Consuming Industries:

To eliminate bottlenecks in war production, here are two practical suggestions to metal-consuming industries:

1. *Normal users of magnesium can allocate their entire stocks to war industries for the time being.*

2. *Non-war industries can give attention to means for replacing aluminum in their products with other materials . . . including plastics.*

Production experience indicates that in addition to magnesium and aluminum, war industries will also have increasing demands for brass and zinc, as well as for stainless and thin gauge steel.

At a time when our war effort needs priority metals, Monsanto is placing its broad experience in plastics at the disposal of those non-war material manufacturers whose present product designs call for these vital war materials. There are ample supplies of six basic Monsanto Plastics which can be successfully used to replace cast or stamped metals in a wide variety of large scale uses.

Already metals have been replaced with plastics in cases, cabinets or housings for business machines, radios, scales and vacuum cleaners. Sizeable quantities of strategic metals have been saved for war purposes through the use of plastics for kitchen utensils, flashlight cases, cameras and many other consumer goods items. On the production lines, as well, plastics are bringing new advantages in speedier manufacturing, high dimensional accuracy, elimination of hand finishing operations. There is no bottleneck in plastics molding facilities such as already exists in many types of metal fabricating equipment, notably screw machines.

To assist the manufacturer who is presently using metals necessary in any degree for war work, Monsanto has prepared a special Report on Plastics as Replacement Materials. Your copy will be sent on request, together with names and addresses of capable plastics molders and fabricators.

MONSANTO (CANADA) LIMITED
PLASTICS DIVISION . MONTREAL . TORONTO

CANADIAN CELANESE LIMITED

Annual Report
For the Year Ended December 31, 1940

Directors' Report

February 21, 1941

To the Shareholders of
Canadian Celanese Limited:

Presented herewith are the Balance Sheet and Earned Surplus Account as at December 31, 1940, the Statement of Income and Expenditure for the year 1940 and the Statement of Earned Surplus available for distribution as a participating dividend on the 7% Cumulative Participating Preferred Stock, prepared and certified to by Messrs. P. S. Ross & Sons.

Dominion, Provincial and Municipal taxes amounted to $1,018,431.57 in 1940; an increase of $466,706.36 over 1939. Due to this and a strike at your Company's Drummondville plant for six weeks, with consequent loss of production and earnings, Net Profit was $1,341,429.08 for 1940; ($535,166.34 less than 1939.) After provision for regular and participating dividends, this equals $2.21 per common share.

Capital expenditures during the year for required increased facilities amounted to approximately $1,100,000.00.

Dividends paid during the year amounted to $1,310,777.10, of which $494,777.10 was paid to Common shareholders, equal to $1.90 per share.

For the Board of Directors,
Camille Dreyfus,
President.

Balance Sheet as at December 31, 1940

ASSETS

CURRENT:		
Cash on Hand and in Banks	$1,721,774.38	
Government Bonds and Other Securities, at cost (approximate market value $2,143,700.00)	1,849,249.27	
Trade Debtors, less Reserve for Doubtful Accounts	704,039.79	
Other Accounts Receivable and Accrued Interest	15,265.88	
Inventories of Raw Materials, Supplies, Work in Process and Finished Goods, as determined and certified by the Management and valued at cost	1,491,357.76	
		$5,781,687.08
DEFERRED AND PREPAID CHARGES:		
Unexpired Insurance and Taxes	19,445.62	
Expenses applicable to future operations	16,793.85	
Cost of Income Funding Rights purchased in anticipation of Sinking Fund requirements	55,953.24	
		92,192.71
SECURITIES HELD FOR INVESTMENT, valued at cost		195,574.39
FIXED:		
Real Estate, Plant, Machinery and Equipment at cost		12,807,333.73
Patents and Trade Marks		995,903.45
SPECIAL FUND re INCOME FUNDING RIGHTS, AS PER CONTRA		367,200.00
ASSETS HELD FOR SPECIAL FUND—		
Cash in Bank	12.50	
Government Bonds at cost (approximate market value $229,600.00)	217,687.50	
Income Funding Rights, 5,980 Rights valued at $25.00 per Right	149,500.00	
	$367,200.00	
		$20,239,891.36

LIABILITIES

CURRENT:		
Accounts Payable and Accrued Liabilities	$ 408,307.76	
Provision for Dominion, Provincial and Municipal Taxes	826,312.79	
Interest on Income Funding Rights	72,535.00	
		$1,307,155.55
RESERVES:		
For Depreciation of Buildings, Machinery and Equipment	3,602,559.38	
For Amortization of Patents	353,885.40	
Special Reserve	550,000.00	
		4,506,444.78
CAPITAL STOCK:		
Authorized—		
150,000 Shares 7% Cumulative Participating Preferred, Par Value $100.00 per share		
300,000 Shares Common, without Nominal or Par Value		
Issued—		
100,000 Shares Preferred	10,000,000.00	
260,409 Shares Common	1,169,045.00	
		11,169,045.00
Income Funding Rights having the attributes set forth in Special By-Law "A":		
Issued under the Scheme of Arrangement of November 7, 1934	90,000 Rights	
Less: Purchased by the Company and held in Special Fund as per contra 5,980; Held in anticipation of Sinking Fund requirements 2,684; Delivered to Sinking Fund 8,801	17,465 Rights	
	72,535 Rights	
(Rights purchased by the Company cannot be re-issued)		
BALANCE OF SINKING FUND re INCOME FUNDING RIGHTS set aside in accordance with the provisions of Clause 3 of Special By-law "A"		23.00
SPECIAL FUND re INCOME FUNDING RIGHTS, as per contra, set aside in accordance with the provisions of Clause 5 of Special By-Law "A"		367,200.00
SURPLUS ACCOUNTS:		
Distributable Surplus, set aside in 1936 in accordance with the provisions of Sub-Section 7 of Section 12 of The Companies Act, 1934	62,500.00	
Earned Surplus, per Statement attached	2,827,523.03	
		2,890,023.03
		$20,239,891.36

APPROVED ON BEHALF OF THE BOARD:
(Signed) P. A. THOMSON........Director
(Signed) A. SCHWARTZ.........Director

This is the Balance Sheet referred to in our attached Report of even date.

(Signed) P. S. ROSS & SONS.
Montreal, February 8, 1941. Chartered Accountants.

Statement of Income and Expenditure
For the Year Ended December 31, 1940

NET OPERATING PROFIT before taking up the items below		$2,742,276.44
ADD:		
Income from Investments	110,006.91	
Profit on Income Funding Rights purchased for Special Fund and for Sinking Fund	8,987.09	
Profit on Government Bonds sold	8,550.00	
		127,544.00
		2,869,820.44
DEDUCT:		
Remuneration of Executive Officers and Directors required to be shown separately under Section 113 (2) of The Companies Act	126,454.70	
Fees of Directors not included above	5,960.00	
Legal Fees	7,250.00	
Depreciation of Plant, Machinery and Equipment	434,933.10	
Amortization of Patents	66,393.56	
Reserve for Income Taxes and Excess Profits Tax	765,000.00	
		1,405,991.36
Net Profit for the Year		1,463,829.08
DEDUCT:		
Amount appropriated for Interest for 1940 and Sinking Fund re Income Funding Rights, in accordance with the Provisions of Clause 3 of Special By-Law "A"		122,400.00
Balance of Net Profit for the year transferred to Earned Surplus Account		$1,341,429.08

Earned Surplus Account
As at December 31, 1940

Balance at Credit, January 1 1940		$2,844,134.36
DEDUCT:		
Prior Year Adjustment— Additional Income Tax due to retroactive legislation		47,263.31
		2,796,871.05
ADD:		
Balance of Net Profit for the Year, transferred from Statement of Income and Expenditure		1,341,429.08
		4,138,300.13
DEDUCT:		
Dividends Paid:		
On Preferred Shares—		
At rate of 7% per annum for 1940	$700,000.00	
Participating Dividend of $1.16 per share, in respect of the year 1939	116,000.00	
	816,000.00	
On Common Shares, at rate of $1.90 per share	494,777.10	
		1,310,777.10
Balance at Credit December 31, 1940 ($60,178.36 of which is subject to distribution as a Participating Dividend, when declared)		$2,827,523.03

Auditors' Report

Canadian Celalnese Limited, Montreal. February 8, 1941

We have examined the books of account and financial records of Canadian Celanese Limited for the year ended December 31, 1940 and have obtained all the information and explanations we have required.

We certify that, in our opinion, the attached Balance Sheet and relative Statement of Income and Expenditure and Earned Surplus Account present a true and correct statement of the financial position of the Company as at December 31, 1940 and the result from operations for the year ended that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

There is attached a statement showing the amount of Earned Surplus as at December 31, 1940 available for distribution as a Participating Dividend on the Preferred Stock; we certify that, in our opinion, this statement is correct.

(Signed) P. S. Ross & Sons
Chartered Accountants

Statement showing the amount of Earned Surplus as at December 31, 1940, available for distribution as a Participating Dividend on the 7% Cumulative Participating Preferred Stock.

Amount of Earned Surplus as at December 31, 1939, which was subject to payment of a Participating Dividend of 10% when declared		$1,167,617.81
DEDUCT:		
Earned Surplus on which a Participating Dividend of $116,000.00 was paid on April 1, 1940		1,160,000.00
		7,617.81
ADD:		
Balance of Net Profit for the year 1940, per attached Statement of Income and Expenditure		1,341,429.08
		1,349,046.89
DEDUCT:		
Additional Income Tax due to retroactive legislation, charged to Earned Surplus Account in 1940	$ 47,263.31	
Dividends (other than Participating Dividends) paid on Preferred Shares in 1940	700,000.00	
		747,263.31
Amount of Earned Surplus as at December 31, 1940, which is subject to payment of a Participating Dividend of 10% (equivalent to 60 cents per share) when declared		$ 601,783.58

Publisher Denies Editors Think They Know It All

In recent weeks the effort of newspapers to interpret, criticize and propose changes in the operation of government has been challenged in both political and business circles. In some quarters, newspapers and other periodicals are accused of setting themselves up as omniscient experts, and assuming a fundamental right to direct the affairs of others.

This current development attaches particular interest and timeliness to the following analysis of the question by the head of The MacLean Publishing Company, publishers of The Financial Post. In its original form the article appeared as a staff bulletin for employees of the company.

By HORACE T. HUNTER
President, The MacLean Publishing Company

Have newspapers any God-given right to tell the heads of businesses and governments what they should do?

Do they think they know more about engineering, commercial or financial problems than anyone else?

Are they the country's greatest experts on executive management and organization?

The answer in all cases is "No."

Misconception

Many people picture an editor as a bespectacled, gloomy-faced individual seated behind a desk cluttered with newspapers, magazines and government bluebooks, typing out articles telling all and sundry what they should be doing.

Strangely enough, these same people do not picture judges seated in their chambers writing out judgments, but seated on the bench, listening to evidence from witnesses.

Judges do not usually have any special knowledge of engineering, but they are constantly called upon to decide cases involving engineering practice. They decide such cases, not as experts in that particular field, but as judges trained to analyze objectively facts in any field. If there is argument they listen to what the experts on both sides have to say, and then they reach an objective decision based on a trained mind's impartial examination of all the ideas and facts.

People do not usually question the sincerity of the judge or the soundness of his decisions. They realize they have been given only after careful and impartial consideration.

Frequently great courage is required on the part of the judge. He must eliminate all personal prejudice. He knows he will cause embarrassment and suffering and even make enemies, but he must do his duty.

Close Parallel

There is a close parallel in the work of conscientious editors of high-class newspapers and periodicals. There are, of course, some editors who are narrow-minded, just as there are some judges who are weak and incapable.

Editors do not profess to be experts in any particular line of business but their own. They know the field their publication covers. They are experts at gathering information and they are experts in explanation. A capable editor knows where to find the best authority on all important subjects.

Editors of MacLean publications keep constantly in mind that nearly 700,000 men and women who subscribe for our publications depend upon them for accurate information.

Editors Know Sources

Few people realize the amount of preliminary work necessary before an article or editorial is written.

Our editors interview hundreds of people each week. Over a long period of years they have established contacts with a wide range of authorities who can give them the most accurate information on practically any subject under investigation. They know the people they can trust, and where there is any doubt they double or triple check the information offered.

In this constant search for facts and news our editors have one great advantage. They represent a company in which nearly all business leaders and politicians have confidence. People talk freely and frankly with us. The net result is that in expressing our opinions on great national questions, our editors are basing their viewpoint on information secured from the highest and most reliable sources.

The easiest course in newspaper work is to say nice things about people regardless of merits. It takes courage to fight aggressively for policies and methods which we know to be right and in the interests of good business.

Today Canada's war effort is the dominant factor in all our plans and in that of all true Canadians as well.

There may be honest differences of opinion as to the most efficient way of reaching our objective—and we make no claim to be infallible. But all members of the MacLean organization seek to be sincere and stick to a high code of trust and ethics.

More About "Criticism"

No Time for Rhetoric
Saturday Night, Toronto

. . . On the floor of the House of Commons (Hon. Mr. Howe asserted) that "the number one saboteur in Canada since the beginning of the war is The Financial Post of Toronto." We are far from denying that Mr. Howe and the Government have had a great deal of provocation from The Financial Post, which has very industriously, and often very ably, sought to make good for the lack of a competent Opposition in Parliament, but has taken full advantage of the fact that it is not fettered by parliamentary responsibility.

Nevertheless we regret that Mr. Howe made use of this expression, which is purely rhetorical, has no exact meaning, and is calculated to embitter the discussion of public business in Canada about as much as any three words could.

Not the Answer
New Glasgow (N.S.) News

Two men well up in the list of "the greats" made newsworthy announcements last week. From Rome Mussolini wrote to his troops in Albania that he would join them as soon as possible. In Ottawa Munitions Minister Howe declared The Financial Post was No. 1 saboteur.

Both statements are equally unreliable.

Mr. Howe's blast betrays an amazing inability to stand criticism—despite the fact he is a public man in a democratic country where constructive debate is the very essence of good government.

It is true The Post has been "after" his department. But The Post has been careful to pay tribute to Mr. Howe for his work and his ability; the criticism in its columns was confined entirely to the results being obtained in Canada's war effort, with particular reference to Anson airplanes.

The Post criticism . . . sought to jog backward departments, arouse public demands for faster action. And in so doing it was acting according to the highest traditions of democratic journalism.

Similar newspaper work in Britain resulted in the production of enough shells to win the last war—that is a matter of history. Lack of similar newspaper work in France resulted in that country smugly awaiting German domination — which is also a matter of history.

The calling of nasty names has never been regarded as the answer to criticism. Nor can it be in this case. The incident will not detract from Mr. Howe's abilities, which are many, but it will undoubtedly lower him in the eyes of those who had hoped he was a statesman as well as an able engineer. And it will increase public suspicion that all is not right in airplane production.

Mr. Howe and the Newspapers
Brampton (Ont.) Conservator

The Honourable Clarence Decatur Howe, Minister of Munitions and Supply, from his protected seat in the House of Commons the other day let fling a load of verbal dynamite at The Financial Post as the No. 1 saboteur of Canada. He also accused the newspapers generally of sabotage.

Strange that Mr. Howe should have made such statements about the same press which has given the Government so generously of its space in recent months on behalf of the war savings and war loan drives. It seems that Mr. Howe doesn't agree with the newspapers, and particularly The Financial Post. As a matter of fact The Financial Post and most other Canadian newspapers too, are miles ahead of Mr. Howe in the war effort. Mr. Howe found out what was wrong with his department from the newspapers, but because they gave the public the information he charges them with sabotage.

The clear and concise articles which have appeared in The Financial Post in the past 12 months, have sought only to awaken the Government to the need for haste, and to bring the Government into line with what the people of Canada were demanding. The Financial Post was one of the MacLean publications which brought out the details of the infamous Bren gun contract, which has since been admitted by the Government as useless, and which has been replaced by an entirely different contract. Had The Post been listened to during the last election, Mr. King would not have secured such a tremendous majority, and he would not arrogantly carry on today as if he was running the war for the Canadian people.

However, the fact that The Post has brought to the attention of the citizens of Canada the frightful inability of the present Government to carry on the war efficiently, does not put it, or other newspapers, including many Liberal ones, in the class of saboteurs. They are doing a useful job of bringing to the attention of the Government bottlenecks in production, and other suggestions regarding Canada's war effort. Mr. Howe must learn that without the newspapers the Government's attempts to keep the public informed would be a washout.

Number One Corrective
The Coldwater News

Constructive criticism is definitely not sabotage. The thing that is most likely to weaken Canada's total effort is ineffective administration. How is public interest and awareness going to be concentrated upon this or that weakness unless the press exposes such promptly and fearlessly? . . .

Mr. Howe has stated that one of Canada's independent weeklies is the No. 1 saboteur since war began. May we say that the press in Canada, weekly and daily, individually or collectively, has urged all Canadians to participate in an all-out war effort. We, the press, have not been playing politics; we have not been working with monetary gain as a goal; we have been thinking and working, mainly, for national and international freedom today and tomorrow. We have been at war on the home front endeavoring to make society and government correct weaknesses. . . .

Pulp and Paper Industry

U. S. Pulp Mills Output Higher During January

From Our Own Correspondent

MONTREAL.—With 87% of the industry reporting, United States Pulp Producers Association reports production in January of 672,198 tons of pulp. This contrasts with 621,504 tons the month before.

Production of all types of pulp showed an increase. Sulphite mills operated close to effective capacity and produced 217,315 tons, or 17,000 tons more than in December. Sulphate output of 335,488 tons showed an increase of around 27,000 tons, with the bleached sulphate mills operating at capacity and unbleached mills at 95% of capacity.

Produce More Groundwood

Groundwood pulp mills, representing 69% of industry, reported an output of 104,856 tons, whereas in the previous month 67% of the industry reported a production of 99,153 tons.

A breakdown of the returns of the reporting mills to the United States Pulp Producers Association for January, 1941, follows:

Monthly Wood Pulp Statistical Review
(In tons of 2,000 pounds, air dry weight)
January, 1941

	% of Ind'y capacity reporting	Product'n during January	Used by producing mills	Sales, foreign & domestic	Stocks* on hand end of January	Imports during January
Total, all grades (Except soda).	87%	672,198	521,905	133,937	171,153	71,777
Total sulphite	98%	217,315	115,561	98,872	78,289	45,562
Bleached	100%	132,413	68,999	58,680	47,164	25,859
Unbleached	95%	84,902	46,562	40,192	31,125	19,703
Total sulphate	96%	335,488	296,549	28,110	45,704	15,671
Bleached	100%	54,754	43,951	9,102	5,953	5,206
Unbleached	95%	280,734	252,598	19,008	39,751	10,465
Groundwood	59%	104,856	98,028	3,099	39,613	10,113
Damaged, off-quality and miscellaneous	75%	14,539	11,767	3,856	7,547	431

*Total, for own use and sale, of pulp of own manufacture. (Does not include stock of purchased pulp.)

Less European Newsprint Sold

U. S. Imports in 1940 Drop to About One Tenth of Normal

From Our Own Correspondent

MONTREAL. — Imports of European newsprint paper into the United States during 1940 amounted to 33,850 tons. This is the lowest figure reported in many years and compares with 310,220 tons in 1939.

Sharp reduction in imports last year, of course, is due to war conditions, which practically eliminated the Scandinavian countries as a source of supply for newsprint paper.

The trend of imports from Europe, by countries, since 1934, follows:

European Imports by Source 1938-1940

	1938	1939	1940
Finland	151,134	194,960	23,096
Sweden	71,553	61,856	9,179
Norway	10,822	42,397	1,575
Germany	9,551	6,254	....
France	....	3,137	....
Un. Kingdom	....	1,014	....
Netherlands	....	602	....
Total	243,060	310,220	33,850

U. S. Newspapers Advance Price

From Our Own Correspondent

MONTREAL.—Nearly 15% of the American newspapers reporting to the American Newspaper Publishers Association increased their circulation prices in 1940. Of 1,005 replies received, 149 newspapers report having made increases in one or more classifications.

In 1939 and up till Feb. 1, 1940, out of 1,108 newspapers reporting, 121 had made increases in their rates. A total of 37 newspapers report little or no loss in circulation as a result of increase in circulation prices; 32 a loss of 5% or less; 20 a loss of 5% to 10%; 7 a loss of 10% to 15%; 1 a loss of 22%, with a recovery of 40% of the loss; 4 newspapers lost 24% of their circulation, with a recovery of less than 10% of the loss; and 1 newspaper reported a loss of 25% with a subsequent recovery of 50% of the loss.

One of the newspapers reporting no loss states that a gain of 50% in circulation followed the increase; another a gain of 10%.

Virtually all newspapers report a portion of the lost circulation has been regained. Five newspapers regained all losses and increased their circulation.

Bathurst Profit Is Maintained

From Our Own Correspondent

MONTREAL.—Current operations of Bathurst Power and Paper Co., continue satisfactory and earnings are being maintained on a profitable basis, according to R. L. Weldon, president. Under the present circumstances, he adds, it is impossible to forecast future operating conditions.

Operations of boxboard and sulphite mills were on a full-time basis throughout the past year. While newsprint was not produced to full capacity, opportunity for the manufacture of certain specialties occurred which resulted in the newsprint mill operating practically full time.

In referring to plant facilities, Mr. Weldon stated that installation of the recovery furnace and waste heat boiler for the kraft pulp mill was completed on schedule and commenced operation on April 15 last year. To meet the demand for kraft and boxboard products, the capacity of the kraft mill has been somewhat increased through installation of additional dryers, ventilating equipment, etc.

The capacity of the boxboard mill has also been added to by installation of additional feeders and a ventilating system.

During the past year the company acquired 175 sq. miles of timber limits, containing upward of 500,000 cords of spruce pulpwood at a cost of $153,338. These limits are adjacent to the company's N.B limits.

U. S. Newsprint Imports From Europe Lower

From Our Own Correspondent

MONTREAL. — Imports of European newsprint into the United States during January totalled 1,148 tons. This contrasts with 1,463 tons in the previous month and with 8,953 for January, 1940.

U. S. Paper Needs 3.6% Over 1940

From Our Own Correspondent

MONTREAL. — Estimated consumption of newsprint paper in the United States during 1941 is placed at 3.6% over that for 1940, according to an announcement of the American Newspaper Publishers Association. The present estimate is based upon returns from 1,116 publishers who used 2,905,941 tons of paper in 1940, compared with total United States consumption of 3,709,028 tons.

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Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

There's no need to go into psychological details — the term "impulse buying" is self-explanatory. What is more important is that 62% of all shoppers in department stores buy "on impulse"; hundreds of millions of dollars are spent each year by women who stop in front of a store display, gasp "Oh . . . look! . . ." and then and there make a purchase.

The vast extent of "impulse buying" has been proved by careful surveys; sales in this profitable market vary directly with a product's ability to stop the shopper, hold her attention and sell itself to her.

The economical and effective way of creating impulse sales is to package the product in "Cellophane". This is why: "Cellophane" lets the shopper see the product; provides sparkle and glamour; dresses up the package; suggests quality; keeps things clean. Some merchandise lends itself particularly well to "impulse buying". If your product is in this category it is worthwhile to investigate the sales stimulating qualities of a "Cellophane" package. Write "Cellophane" Division, P.O. Box 10, Montreal, Quebec.

Cellophane
C·I·L CELLULOSE FILM

"Making" War Workers — II

Plant Training Plan Swells Payroll Six Times Over Within a Year

This is the second of a series of reports on the task of mobilizing sufficient trained workers for war plants and allied industries, especially the work being done in the factories themselves to "make" trained workers out of unskilled recruits. Other articles will appear in future issues of The Post.

At best of times qualified workers are hard to find for an industry such as the manufacture of aircraft, demanding a specially high degree of training, skill and precision. And after the war started it rapidly became impossible to hire men—even partly trained men, much less skilled craftsmen.

So they have been created by the industry itself, which has trained hundreds of competent men right in the factories while the scale of production was being expanded. The problem was solved by the joint resolve and energy of the plane makers and the eager young Canadians.

Employers in the aircraft industry have been acutely affected by the rapid expansion of war production and the consequent pressing need for swift development of trained labor resources.

However, some of the plants had developed a certain amount of apprenticeship training, and some "vestibule instruction" in both the plants and technical schools was given under peacetime conditions. With the outbreak of war—to some extent in the months prior to war—these basic systems had to be considerably extended and their tempo stepped up. In the past year, of course, the aircraft producers have been straining to find and train the workers to keep enlarged plants going.

Most of the aircraft plants have had to develop upgrading systems of training and some of them have also set up primary training schools or speeded-up apprenticeship plans in the factory. Generally speaking, the aircraft makers rely on the technical schools and government training centres for workers for special-skill operations, such as welding. They also draw on the technical schools—sometimes in distant cities—for general recruits for their vestibule and upgrading systems. In recent months they have been forced to scour around for their own primary recruits "off the street" or from secondary schools.

Ottawa Car System

One of the earliest aircraft plants to institute a training and upgrading system, including its own factory vestibule school, was Ottawa Car & Aircraft Ltd. Located in the nation's capital, this company has been assigned important jobs in Canada's wartime programme of aircraft production. Among the jobs it is handling are parts, components and unit assemblies for Hurricane fighter planes, Avro Anson training bombers, and bombers for the Canadian Associated Aircraft programme.

Learners and "upgraders" began working under the system of this company back in the summer of 1939, before the war started. Faced even then with need for additional trained workers, and foreseeing the tremendous expanson of operations which has since taken place, the company began filtering partly trained workers into production, and training others from the ground up in its vestibule school.

In August, 1939, the company had a total payroll of less than 200 employees, of which only 96 were production workers. There were no learners, very few partially trained workers moving up through actual production work by the upgrading system.

Today the company has around 1,200 to 1,300 employees, of which approximately half are workers directly engaged in actual production. The significant fact is that of these production workers, roughly four fifths are workers in various stages of training and skill who have been put into production through upgrading.

Important Factor

Thus the bulk of the present employees have been given their training and skill by the factory itself. The learnership and upgrading system has played a major if not essential part in the expansion of Ottawa Car's payroll by five to six times. The clerical force (stenographers, clerks, etc.) has been jumped even farther (about eight times) and the supervisory, maintenance and auxiliary staffs have had to be increased, but the need for training is either less acute or non-existent for these groups.

The first stage and pivot point for the men put through the Ottawa Car training programme during the past year or so was the vestibule or learner school maintained at the factory until recently. Through this course were put both the "green hands" recruited directly and the majority of technical school boys sent to the plant. The rate of recruiting for the school, the nature of the instruction, and the speed of the courses, varied according to the predetermined need for different types of workers during future weeks or months.

The school was recently discontinued because of growing scarcity of technical school graduates as recruits, and in the hope that the expanded government training plan would make it more feasible to put new workers directly into production under proper supervision. But it has served as a major factor in getting the company training plans under way.

The school occupied a large room of its own, part of it set up as a classroom with blackboard, desks, etc., for lecture instruction. The rest was operated as shop school for direct, practical mastery of the fundamentals of various trades or jobs. Instruction was given by a full-time technical schoolteacher, and occasionally by keymen from the factory proper.

The primary learners in this school got no training by the old system of watching and working alongside factory workers, and did not engage in actual production until they were ready to start working up through the upgrading process.

Length of Training

Depending on the aptitude of the pupil and the type of training being given, it took him from six to ten weeks, sometimes several months, to complete the primary training courses in the vestibule school. A wide range of work with aircraft metals and wood, and various types of machine processes, were taught in the school. Practice work on machines and in various types of manual work was facilitated by use of old or rejected tools and materials from the factory proper.

Much of the training was given by teaching the learners to build aircraft parts and unit assemblies in miniature, and to carry out specific operations or jobs on machines. Also, a good deal of experimental work was done in the shop section of the school to help develop new or changed processes to speed up actual production.

In the past year and a half about 600 boys and younger men have gone through the courses in the school. A large proportion of the graduates developed into full-fledged production workers, some of them in the tool rooms and some as machinists, while others are engaged in production at various stages of the upgrading system.

Rise in Four Stages

When they left the factory school, the new-born war workers were able to act as helpers, or do simple machinery, hand processing and machining on their own. They worked up into the more important phases of production in four groups or stages, designated A, B, C and D. The worker starts in the D group and works up to A, where he must have a fair degree of skill for particular operations or trades. In the D group he does simple production jobs requiring a minimum of skill, training and experience. Through actual work and supplementary training and observation he gradually becomes able to move into the C and B stages.

Usually the D workers step up to C class in periods ranging from a few weeks to three months. The upgrader may stay another two months in C, but this is also regarded pretty much as an intermediate stage and workers are moved into the definite production groups (B and A) as rapidly as possible. The whole process from D up to A may take anywhere from six months to a year, depending on the ability of the worker, the difficulty or otherwise of the work for which he is being trained, and the pace of production generally.

While in the vestibule school the learner received only nominal pocket money wages, but began getting regular pay when he stepped into D class and began to do actual production work. The learnership upgrading pay starts at 20-25 cents an hour and works progressively up to 35 cents an hour. The pay goes up as they progress and are assigned to more difficult jobs covered by the B and A groups.

The learnership pay for the primary trainees and the salary of the instructor has constituted the principal costs of the Ottawa Car plan, cost of materials, etc., being negligible. To date the company's training expenditure has been about $20,000.

There are no special training facilities for women workers in the plant. Women are used for various of the simpler, lighter phases of production, and for special operations for which women are specially suited. For jobs where training is required, instruction is given in the plant as they work.

The wide variety of different trades and groups in the plant, and the major part played by the upgrading system, are illustrated by a detailed breakdown of payroll made by the company late last year. This showed a total payroll of 1,138 persons. Excluding 131 learners in the vestibule school, the operating staff consisted of:

	No. employed
Upgraders—	
D class	107
C class	53
B class	157
A class	81
Sheet metal workers	13
Fitters	15
Machinists	40
Welders	16
Tool makers	61
Foundry workers	12
Inspection	48
Maintenance	24
Watchmen	10
Clerical	191
Painters, wood shop, blacksmith shop	72
Foremen	47
Engineers, draftsmen, etc.	32
Laborers	28

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Western Grain

Would you be kind enough to outline the position of Western Grain 6% bonds. I am told that there may be a payment shortly and that a reorganization of the company is in prospect.

Considerable work has been done toward developing a reorganization plan for Western Grain Co., but at this stage it is not possible to forecast when a definite scheme will be ready. Until a reorganization is carried out it is unlikely that any payment of interest will be made to bondholders. In the year ended July 31, 1940, the company earned its bond interest 2.23 times, after depreciation. This was substantially the best earnings record shown by the company since 1931. Prospects apparently are that earnings for the current year will be a little less than last year, although the decrease may not be very heavy. It is true that heavier crops in western Canada have resulted in improved earnings for the company, but not as much as might have been the case had it been possible to market the wheat crop with greater speed.

Stedman Bros.

I am concerned by the statement of S. W. Stedman in the annual report of Stedman Bros. Ltd. that dividends may have to be curtailed. Does this appear likely on the preferred shares which I hold?

As a holder of the preferred shares of Stedman Brothers, we do not feel that you need be disturbed by Mr. Stedman's statement that the company may have to curtail dividends sooner or later. You will notice that the dividend on the preferred was earned between seven and eight times last year, a margin which seems ample to protect against any possible contingencies. We believe it was to dividends on the common stock which Mr. Stedman referred. The preferred only requires $18,000 a year for regular dividends, a comparatively small amount for a company with as large a working capital as has this concern. Even on last year's somewhat lower net profit the company covered its common dividend of $1.20 a share more than twice.

United Distillers

I would appreciate any information you can give me in connection with the financial position and business of United Distillers Ltd. What is the likelihood of dividends on the common?

United Distillers of Canada is a holding company with subsidiaries operating in Vancouver, the United States and England. The company also has a bottling plant in Ontario. The company's financial position as at Sept. 3, 1940, showed net working capital of $566,253. Liquid position was somewhat restricted with bank loans amounting to $225,883. Earnings have been relatively stable over the past three years with net profits being equivalent to 5 cents a share on the common last year. No dividends have been paid since 5 cents a share was disbursed in 1938. The restricted liquid position suggests that payment might be further postponed, particularly in view of the undoubtedly heavier tax burden which the company is now facing.

Western Loan & Savings

I have been asked to buy 4% savings certificates in the Western Loan & Savings Association, Regina. I would appreciate some information on the company, particularly as to what happens if I do not maintain the yearly payments later on.

Although we have not yet had the 1940 report of Western Loan & Savings Association, we are told that the company made further progress last year. Evidence of its good liquid position is the ability of the company to lend $50,000 to the Dominion Government on a non-interest bearing basis. We understand that Western Savings is now preparing to bring out a new type of savings certificate on which the guaranteed interest rates will be reduced from the 4% you mention. Investments of the company are limited to those permitted to trustees or to securities of trustee companies themselves. The savings certificates sold require regular installment payments from the purchaser extending over a period which is calculated to mature the certificates for a definite amount. Ordinarily it requires from six to seven years for accumulated values to equal the amount of payment made by the purchaser. This cash or loan value can be realized on by the purchaser and failure to keep up payments would not mean the loss of this value.

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Ship Shortages Hit B. C. Pulp Exports

Many Parts of the World Want Canadian Forest Products But Costs and Scarcity of Tonnage Sharply Restricts Outlets

From Our Own Correspondent

VANCOUVER. — Ship shortages are multiplying the export troubles of British Columbia pulp and paper exporters these days.

Cost of doing business in overseas markets is steadily rising, but the major difficulty is in getting shipping space.

Any advantage which British Columbia might enjoy as a result of curtailed exports from northern Europe and resultant reduction in competition has been offset in many territories by the fact that, regardless of demand, the goods can't be shipped owing to lack of tonnage.

Were Shipping to South Africa

Pacific Mills, Ltd., Crown Zellerbach Corporation subsidiary at Ocean Falls, has been shipping an average of 12,000 tons of kraft and other paper to South Africa annually. This trade gave promise of developing into even larger and more prosperous proportions, but the shipping line that handles nearly all the business between the west coast of Canada and South Africa has given notice that it will probably have to cut its service in half, guaranteeing space for 500 tons monthly instead of 1,000. Renewal of the Canadian Government's subsidy to another freight line operating in that route may partly remedy the situation before long, but the outlook is anything but certain.

Officials of Pacific Mills say that their export policy in the past has been directed toward meeting the requirements of the British Empire countries first. However, if ship shortages result in drastic reduction in orders from Empire lands, then the company will be obliged to look elsewhere for its markets.

If South African trade recedes very much, for instance, Pacific Mills will resume negotiations with buyers in South Africa, where it has done considerable business in the past, especially in kraft.

Sales to Australia Down

Newsprint sales to Australia have declined about 20% in the past year, according to executives of Powell River Company and Pacific Mills, British Columbia's two newsprint producers. The Australian publishers are still under contract with Canadian mills for a fixed amount of newsprint, but rationing of paper in the Commonwealth to produce much smaller newspapers than in normal times and reduction of inventories have taken a sizeable slice out of the business.

Exporters state that shipping connections have been fairly well maintained with Australia, except that wartime conditions have imposed considerable uncertainty regarding deliveries. They never know when a ship will start loading until it appears outside the shipping port, and they are similarly in the dark about arrivals at destination. When shipments are made war restrictions make it impossible to send cable advices as this would disclose information of ship movements. Communications are usually made by Clipper air mail, and the letters sent that way usually reach their destination before the cargoes.

Some for the Orient

Small parcel shipments of newsprint are being made to Shanghai, but that is about the only Oriental port now open for pulp or paper cargoes from Canada. Hong Kong takes some, but in insignificant volume.

India and the Middle East would like to buy pulp and paper in British Columbia, according to advices from Canadian trade commissioners, but here again the ship situation enters the picture.

Henri Turcot, Canadian trade commissioner at Cairo, advises that newsprint, wrapping paper and similar materials from the Pacific Northwest are required in northern Africa and that British successes over Il Duce's troops should open the way for their shipment. Ships are not to be had for that run at present, however.

Other conditions discouraging trade in that zone are the continued risk of shipping through the Red Sea and the disinclination of buyers in non-sterling areas to pay in dollars because of the exchange differential.

It would seem as though B. C. pulp and paper must continue to find its chief sales outlet in the domestic market, despite the fact that many overseas markets are hungry for it as a result of their isolation from sources of supply they used to depend upon in pre-war days.

Oil Controller Stops Gas Rise

From Our Own Correspondent

MONTREAL.—G. R. Cottrelle, Dominion oil controller, has prohibited an increase in selling price of gasoline in Nova Scotia.

Order received in Halifax from the oil controller stated that he was "firmly convinced that a remedy for this situation lies with the wholesale distributors." Mr. Cottrelle warned that unless a remedy was found in agreement between wholesalers and retailers it might be necessary to institute price control.

Squashes Price Jump

Retail gasoline merchants applied several weeks ago to the Board of Public Utilities for permission to increase the price of gasoline by 4 to 5 cents. The Board ruled that such a rise was unwarranted, but the merchants boosted the price one half cent a gallon. The price was subsequently reduced on order of Mr. Cottrelle.

VICE-PRESIDENT

Lt.-Col. L. J. A. Amyot, of Quebec, was elected vice-president of the General Trust Co. at the annual meeting in Montreal.

Acme Glove Sales Move Higher

From Our Own Correspondent

MONTREAL.—Domestic business handled by Acme Glove Works in the opening month of the current year has shown an appreciable increase over the like period of 1940, according to Alphonse Lepine, president, at the annual meeting of shareholders.

Export trade, generally arising from heavy demands brought about by the war, the president added, has not shown a like expansion but demand is being well maintained at last year's level.

Output for the first half of the year, Mr. Lepine said, suggests still further improvement in the company's business, especially in the domestic market.

Geo. B. Foster, K.C., was elected to the Board of Directors, filling a vacancy caused by the death of Homer Vipond. Other directors were re-elected.

Dosco Plate Mill Plan Dropped

From Our Own Correspondent

MONTREAL.—The Department of Munitions and Supply has decided the plate mill of Dominion Steel and Coal Corp., installed at the Sydney plant, will not be reconditioned. Cost of placing this unit into production of ship plate and for other purposes was estimated at $4.5 millions.

The mill was built at the end of of the First Great War and has been idle since 1918.

Negotiations are under way with Dosco officials to expand further open-hearth capacity at the Sydney plant. Capacity was increased last year by remodelling open-hearth equipment and installation of two new blast furnaces of 10 tons capacity each. Steel ingot capacity was increased from 425,000 tons to 580,000 tons annually.

Pacific Coast Terminals Off

Report Says Sharp Reduction in Number of Ships Entered

From Our Own Correspondent

VANCOUVER.—Operating profits of Pacific Coast Terminals, Ltd., at New Westminster amounted to $38,316 last year, after deduction of taxes, depreciation. This compares with $65,920 for 1939, a reduction of $27,604.

Number of ships handled at the terminal last year showed a decrease of 107, from 478 to 301. Average tonnage per ship was 2,394. The decline was solely due to war conditions and the general shipping shortage.

Gross revenue for 1940 was $422,583, compared with $439,875 in 1939—a decrease of $17,292. Operating costs in 1940 were 90%; in 1939, 85%. The increase was accounted for by rise in depreciation of $12,000; in repairs, $11,400; interest, $2,600; taxes, $4,200.

Capital expenditures last year amounted to $33,975. The property account now totals $1,901,620. Net earnings for 1940 represent 63.8 cents per share.

Box Shooks Higher

Tonnage comparisons are as follows:

Box shooks last year showed an increase, 32,791 tons; general cargo, 13,880 tons. Other freight showed a decline—mine products, down 52,162 tons; apples, 304,076 boxes; lumber, 46,034,000 feet; shingles, 227,606 bundles; laths, 45,000 parcels.

Since reorganization of the company in 1937 all of the company's earnings have gone into extensions and rebuilding. There will be additional capital disbursements this year.

Increase in general cargo already outlined necessitates further storage accommodation and yard trackage extensions and alteration. These have been authorized by the board and are nearing completion.

On Jan. 1, 1940, the company owed $129,000 for shareholder and bank advances amounting to $129,000. By Dec. 31 the debt had been reduced to $30,000.

Bldg. Products Gain Continues

Company Expects Record Demand to Continue For Some Time

From Our Own Correspondent

MONTREAL.—Business of Building Products Ltd. in the current year has continued the upward trend evidenced in the closing month of 1940. Shareholders were told by W. R. McNeil, president, at the annual meeting there is every indication this record demand will continue for the next few months at least.

Some materials manufactured by the company are suitable for low-cost pre-fabricated houses, which are to be constructed in crowded industrial and defense areas, it was stated. Existence of these products have been brought to the attention of authorities.

Two By-laws Approved

Two by-laws were approved at a special meeting subsequent to the general annual meeting. One of these provides authority to purchase shares of the company's stock on the open market for the employee bonus plan.

The second by-law verifies agreement between the company and the city of Winnipeg in regard to its new plant.

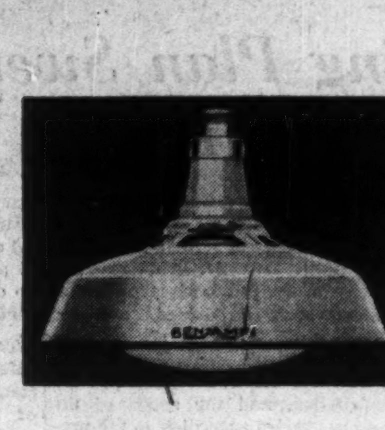
American Celanese Profit at Record

From Our Own Correspondent

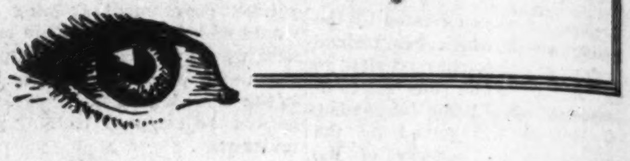
MONTREAL. — Record net profit of $6.4 millions is reported by Celanese Corp. of America for 1940. This is equal to $3.38 on $1.1 million common shares outstanding. On a lesser number of common shares outstanding at the end of 1939, net profit was equal to $3.67 a share.

Sales advanced 25% during 1940 to $44.5 millions, a record peak.

The company has declared a dividend of 50 cents a share on the common stock, payable Mar. 31 to shareholders of record Mar. 14. Participating dividend of $2.82 will be paid on the 7% first preferred participating stock on Mar. 1.



for eyes on active service



Thousands of pairs of Canadian eyes are "on active service" these busy days — checking, testing, judging important details in the production of wartime equipment. Such eyes need and deserve the best modern lighting.

Many plants where war equipment is being turned out (including large aircraft assembly rooms) now enjoy *plentiful, glare-free* illumination from Benjamin Glassteel Diffusers (cut above). The ability of this practical industrial unit to provide high intensity light for *vertical* as well as *horizontal* surfaces has solved many a tricky lighting problem.

Whatever lighting problem you may have (whether it's a "blind corner" or a plant re-lighting job), call on the advice and services of Amalgamated Electric's lighting specialists. They'll recommend the lighting unit *to fit the job in hand.*

BENJAMIN GLASSTEEL DIFFUSERS

Made in Canada by: Amalgamated Electric Corporation Limited, Toronto and Montreal. Western Divisions: Langley Electric Manufacturing Co. Limited, Winnipeg; Langley Electrical Co. Limited, Calgary; Langley Manufacturing Co. Limited, Vancouver.

AMALGAMATED ELECTRIC CORPORATION LIMITED

Company Reports

Massey-Harris

Sales of Massey-Harris Co. for the year ended Nov. 30, 1940, were 11% above the preceding year. The rise would have been much greater, it is stated, had it not been for the total loss of sales in Continental Europe. War contract sales have not been included.

The result is that net profits for the year just closed are equivalent to $6.67 a share on the preferred stock compared with $5.83 a share on the common. After allowing for a full year's dividend on the preferred, although no payments were made, the balance available for the common in 1940 was equivalent to 27 cents a share, just double the 1939 balance. Arrears of preferred dividends were $50 a share last November.

The 1940 report includes 12 months results from Canada, United States, United Kingdom and South Africa. Earnings from South America and New Zealand are only included for the nine months ended Aug. 31. This makes a strict comparison with the preceding period difficult. In explanation of this change it is stated:

"In South America and New Zealand the harvest season is in full swing at the end of November, and it has been found contrary to the best interests of our business to close our operations in these countries Nov. 30. In making this change it was felt that with lower sales in Argentina the effect on our operations this year would not be serious."

Balance sheet as at Nov. 30 last shows funded debt reduced by $500,000. There remains outstanding $8.5 millions of bonds of the parent company and $2 millions issued by the U. S. subsidiary and guaranteed by the Canadian company. Other important changes are detailed below.

Consol. Income and Surplus Account
▪Years Ended Nov. 30

	1940	1939
	$	$
Operating income*	3,012,841	2,312,255
Add: Invest. inc., etc.	119,317	159,135
Operating profit	3,132,158	2,471,390
Less: Depreciation	388,254	426,757
Int. on borrowings	159,965	255,285
Bond interest	442,125	417,416
Pension fund	95,920	88,207
Inventory reserve	200,000	......
Conting., bills & accts.	520,325	398,118
Income taxes	520,000	180,269
Net profit	805,569	705,338
Less: Prev. deficit	20,720,752	20,072,761
Assets w/d	1,349,505	682,586
Bond disc., etc., w/o	......	670,743
Deficit forward	21,264,688	20,720,752
*After deducting:		
Legal fees	6,972	5,999
Directors' fees	3,250	3,953
Executives salaries	68,300	72,300

▪Includes earnings from Canada, U. S., United Kingdom and South Africa for 12 months ended Nov. 30 in 1940 and South America and New Zealand for nine months ended Aug. 31 in 1940; all 1939 figures for full year.

	1940	1939
Earned per Share:		
Preferred	$6.67	$5.83
No. dividends paid.		
Common	$0.27	$0.14
Shares O/s:		
Preferred, $100 par	120,899	120,899
Common, n.p.v.	739,622	739,622

Working Capital

	$	$
Current assets	28,314,958	27,781,816
Current liabilities	5,526,044	4,435,728
Working capital	22,788,914	23,346,088

†Balance Sheet Changes

	$	$
Cash	1,987,406	2,430,880
Bills & accts. rec.	15,547,978	15,541,102
Less: Reserve	2,487,874	2,630,891
Inventories	14,403,288	13,592,308
Less: Reserve	1,463,094	1,377,225
Bank loans	1,920,868	1,342,057
Accts. payable	2,865,896	1,644,828

†The report states balance sheet items are not strictly comparable owing to deletion of European assets, liabilities and reserve and difference in closing dates of South America and New Zealand.

Wentworth Radio

Wentworth Radio & Auto Supply Co., Hamilton, reports a substantial gain in earnings for 1940. Net profit was equivalent to $6.31 a share on the 3,000 shares of 6½% preferred. The 1940 results show the largest net profit to be reported since 1930 and compare with a loss of $5,068 for 1939. No dividends have been paid since 1931 and preferred arrears amounted to $65 a share as of March 15 this year.

Balance sheet shows a bank loan of $100,000 this year for the first time, although cash is $30,099 compared with $36,286 a year ago. The rise in current liabilities is compensated by a gain in accounts receivable to $265,634 from $84,453, after deducting reserves.

Income and Surplus Account
Years Ended Dec. 31

	1940	1939
	$	$
Operating profit	40,731	5,924
Less: Mortgage int.	1,245	1,783
Depreciation	5,555	5,513
Executive salary	4,064	2,916
Directors' fees	780	780
Inc. and E.P. taxes	10,159	......
Net profit	18,928	*5,068
Less: Prev. deficit	82,420	49,945
Add: Loss on Broadcast Co. sale	......	27,407
Deficit forward	63,492	82,420

*Loss or deficit.

Working Capital

	$	$
Current assets	382,910	219,925
Current liabilities	203,728	62,166
Working capital	179,182	157,759

La Société de Prêts

Annual report of La Société de Prêts et Placements de Québec for the year ended Dec. 31, 1940, shows earnings reduced through higher taxation. A total of $23,579 was paid in 1940 taxes, compared with $10,639 the year before. Despite lower current earnings, the company was able to pay an extra dividend of 1% on paid up capital on Oct. 1, 1940, raising the total for the year to $5 per share as against $4 in 1939. This was possible largely as a result of the realization of investments whose value had been covered by reserves. In addition to meeting dividends and taxes, the company was able to add $2,300 to general reserves.

Shareholders' Position
Years Ended Dec. 31

	1940	1939
	$	$
Rate earned per share	3.35	5.58
Divds. paid per share	5.00	4.00
Net profits*	26,763	44,631
Reserve	366,216	355,413
P. & L. surplus	244	275

*After taxes but before surplus adjustments and realization on assets covered by reserves.

Creditors' Position

Deposits	64,488	63,677
Secured by:		
Liquid assets	228,878	230,383
Mtges. & int. net	745,082	689,464
Other net assets	256,744	299,517
	1,230,704	1,219,364

Canadian Tube

Canadian Tube & Steel Products Ltd. reports a sharp advance in operating profits for 1940, but after deduction of senior charges, net profit was somewhat less than in 1939. Gross revenue totalled $542,745, as against $372,314 the year before. Provision for taxes increased from $40,677 to $146,669, while depreciation and bad debt reserve were also higher. Net profit of $157,173 was equal to 24 cents a share. This compares with a net profit of $182,951 or 64 cents a share in 1939.

The balance sheet shows an improvement of nearly $200,000 in net working capital position. The only change of interest is a reduction in the bank loan from $465,000 to $240,000.

Comparative figures from the profit and loss account follow:

Income and Surplus Account
Years Ended Dec. 31

	1940	1939
	$	$
Gross revenue	542,745	372,314
Less: Exec. salaries	38,150	40,499
Dir., legal fees	7,513	8,185
Depreciation	*183,239	100,000
B.D. reserve	10,000	......
Tax reserve	146,669	40,677
Net profit	157,173	182,951
Pfd. dividends	105,000	75,000
Surplus	52,173	107,951
Previous surplus†	1,010,608	910,945
Surplus forward	1,062,781	1,018,896

*$83,239 reserve for future depreciation of inventory values.
†Adjusted.

Working Capital

Current assets	2,001,831	1,860,018
Current liabilities	644,248	694,345
Working capital	1,357,583	1,165,673

Heavy-Duty INTERNATIONAL TRUCKS

FIRST IN THE HEAVY-DUTY FIELD

TAKE A LOOK at **all** of International's K-line HEAVY-DUTY trucks—and you'll see a **complete** line of rugged, powerful models, built for the heavy-hauling requirements of industry **today**. With these handsome units International begins **a vital new year in the manufacture of trucks.**

Here is a great generation of quality trucks—distinctive, up-to-the-minute, ultra-efficient—marked with the famous emblem and the name that stands for **earned leadership in the heavy-duty field.**

Back of this No. 1 position in the field stands a **constant system of change.** And in these K-line trucks are incorporated all the best fruits of Harvester experience.

From the moment you enter the Safety Comfort Cab with its foam-type rubber seat cushion and put one of these beautiful trucks in motion, you will feel its amazing power. Instantly you will find a revelation in easy steering. Outstanding engineering is evident in the Hi-Tork brakes, the rugged rear axle, the longer, easy-riding springs.

These and many other International features, topped by the powerful engine, bring you what it takes to **out-perform and out-economize the field.**

Get acquainted with International's K-line trucks and you will understand why more heavy-duty Internationals are sold than any other make. Ask the nearest dealer or Company-owned branch for information. Catalogs on request.

INTERNATIONAL HARVESTER COMPANY of CANADA, Ltd.
HAMILTON ONTARIO
BUILT IN CANADA at Chatham, Ontario

INTERNATIONAL TRUCKS

Banking

Savings Deposits Show Third Successive Gain

Reflect Greater Savings of the People from Increased Earnings — Current Loans Show Small Seasonal Decline from Previous Month

For the third successive month, savings deposits of the Canadian people in the chartered banks in January showed an increase over the preceding month, according to the regular monthly returns of the banks to the Minister of Finance as at Jan. 31, 1941.

Savings deposits on the date of the return were $26.8 millions above the previous month but $82 millions lower than a year ago. The rise in these deposits in recent months reflects the extent to which Canadians are saving part of their increased earnings derived from increased employment and higher wages resulting from the war business. It has overtaken in part the decline in savings deposits evident in previous months in comparison with the year before. This decline in savings deposits from the year preceding was due to two main factors: The two war loans in January and September, 1940 and the withdrawals in May and June by nervous depositors who at the time of the German blitzkrieg thought their money was safer in their sock than in the bank.

Increase in September

By September the effect of the first loan and the June withdrawals had pretty well passed and savings deposits were increasing. But the second war loans subscriptions to which were paid in October brought another decline in that month. Since then, however, there has been a steady upward movement from one month to another, while the decrease from the year before has lessened from $109 millions in October to $82 millions in January.

The larger deposits which have accumulated at a time when many people were also buying war savings certificates and paying income tax will make a substantial amount of new money available when the third war loan comes on in the summer. Demand deposits have also been increasing, reflecting the increased activity in business.

Government Deposits Up

Dominion Government deposits at Jan. 31 were up substantially both from the preceding month and last year reflecting the financing of the Dominion Government in January through an issue of short-term bonds to the banks.

Loans Slightly Lower

Current loans in Canada were slightly lower in January than in December reflecting the seasonal lull in general business. But compared with 1940 they were $42 millions higher. The decline from December was much less than usually seen in January.

Call loans in Canada continued to decline, reflecting the shrinkage in speculative activity on the stock exchanges while loans to the provinces and municipalities were lower in both monthly and yearly comparison.

The Financial Post Credit Index which is the ratio of current and call loans in Canada to demand and savings deposits in Canada was slightly lower than in December but unchanged from 1940.

Use of Bank Credit in Canada
(In Millions of Dollars)

	January 1941	December 1940	Change	January 1940	Change
Loans	1,128.2	1,147.9	—19.7	1,120.3	+7.9
Investments	1,677.2	1,531.0	+146.2	1,653.9	+23.3
Total	2,805.4	2,678.9	+126.5	2,774.2	+31.2
Deposits	2,677.3	2,672.0	+5.2	2,598.0	+79.3
Credit index	38.6%	38.8%	—0.2%	38.6%	......

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	January 1941 $	December 1940 $	Change $	January 1940 $	Change $
Immediately Available Liquid Assets					
Canadian coin	7,553,324	6,584,010	+969,314	5,795,924	+1,757,400
Bk. of Can. notes	78,771,417	98,305,584	—19,534,167	64,683,948	+14,087,469
Bk. of Can. depos.	225,551,602	217,744,945	+7,806,657	219,304,759	+6,246,843
Bank's cash	311,876,343	322,634,539	—10,758,196	289,784,631	+22,091,712
Other banks' notes	2,351,069	3,976,614	—1,625,545	4,076,250	—1,725,181
Gold & sub. coin abd.	3,395,190	3,635,088	—239,898	5,097,143	—1,701,953
Foreign banks	179,281,159	171,427,331	+7,853,828	187,681,875	—8,400,716
Foreign curr.	29,179,535	28,890,247	+289,288	35,492,113	—6,312,578
Gov. sec. short term	706,147,347	691,300,954	+14,846,393	689,840,567	+16,306,780
Do., long term	727,642,860	597,138,644	+130,504,216	671,113,325	+56,529,535
Call loans abroad	38,396,972	42,227,854	—3,830,882	47,848,833	—9,451,861
	1,998,270,475	1,861,231,271	+137,039,204	1,930,934,737	+67,335,738
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	91,791,818	92,295,345	—503,527	99,303,275	—7,511,457
Public secs.‡	53,175,638	51,409,874	+1,765,764	75,421,772	—22,246,134
Other secs.	98,452,967	98,868,256	—415,289	118,191,431	—19,738,464
Can. call loans	35,828,880	40,278,985	—4,450,105	47,732,191	—11,903,311
Current loans	998,650,175	998,674,961	—24,786	956,144,714	+42,505,461
Loans abroad	131,108,031	130,616,915	+491,116	148,654,458	—17,546,427
Prov. loans	11,075,436	16,521,348	—5,445,912	13,396,019	—2,320,583
Mun. loans	82,603,240	92,391,840	—9,788,600	103,085,749	—20,482,509
	1,502,686,185	1,521,057,524	—18,371,339	1,561,929,609	—59,243,424
Other Assets					
Non-current loans	5,892,347	5,985,754	—93,407	8,255,147	—2,362,800
Real estate	7,216,907	7,285,996	—69,089	7,708,185	—491,278
Mortgages	3,555,292	3,562,164	—6,872	4,020,951	—465,659
Premises	70,716,778	70,567,420	+149,358	72,088,097	—1,371,319
Letters of credit	69,907,357	67,548,645	+2,358,712	53,793,244	+16,114,113
Loans to comp.	11,068,576	11,116,432	—47,856	11,290,513	—221,937
Other assets	2,193,007	1,858,002	+335,005	2,267,848	—74,841
	170,550,264	167,924,413	+2,625,851	159,423,985	+11,126,279
Total	3,671,506,924	3,550,213,208	+121,293,716	3,652,288,311	+19,218,593
Note circ. dep.	4,837,050	4,832,516	+4,534	5,073,232	—236,182
Int. bank bal.	126,051,198	175,557,457	—49,506,259	111,948,388	+14,102,810
Gross	3,802,395,172	3,730,603,181	+71,791,991	3,769,309,951	+33,085,221

LIABILITIES

	January 1941	December 1940	Change	January 1940	Change
To the Public					
Circulation	81,456,155	83,788,640	—2,332,485	85,928,015	—4,471,860
Dom. Govt.	128,429,198	66,239,172	+62,190,026	112,365,735	+16,063,463
Prov. Govt.	66,920,339	66,502,710	+417,629	44,853,944	+22,066,395
Deposits by Public					
Demand dep.	1,009,223,202	1,030,686,199	—21,462,997	847,558,528	+161,664,674
Savings dep.	1,668,130,415	1,641,313,845	+26,816,570	1,750,487,649	—82,357,234
Total	2,677,353,617	2,672,000,044	+5,353,573	2,598,046,177	+79,307,440
Foreign dep.	409,859,602	404,593,122	+5,266,480	461,189,247	—51,329,645
Due to Banks Abroad, Etc.					
United Kingdom	26,294,134	27,825,573	—1,531,439	65,042,104	—38,747,970
Foreign	27,740,684	26,522,199	+1,218,485	36,050,936	—8,310,252
Bills payable	11,575	16,974	—5,399	207,078	—195,503
Letters of credit	69,907,357	67,548,645	+2,358,712	53,793,244	+16,114,113
Other liabs.	6,666,913	6,403,681	+263,232	4,979,922	+1,686,991
Total pub. liabs.	3,494,639,574	3,421,440,760	+73,198,814	3,462,456,402	+32,183,172
Due bet. banks	10,443,455	13,000,591	—2,557,136	10,122,085	+321,370
Liability to Shareholders					
Dividends	2,793,352	1,488,926	+1,304,426	2,742,415	+50,937
Reserve	133,750,000	133,750,000	....	133,750,000	....
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	3,787,126,381	3,715,180,277	+71,946,104	3,754,570,902	+32,555,479

‡Other than Canadian.

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In the Laurentians, at the foot of Mont Tremblant . . . ski-tow . . . skiing throughout March. Rates moderate, up-to-date accommodation. Write for booklet, rates.
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Saint John Calling!
It's the Admiral Beatty—the official AAA hotel. 250 fireproof rooms from $2. single, $3. double. Modern cafeteria. AAA garage.
The ADMIRAL BEATTY
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Now You Can Follow Summer Sunshine to JAMAICA
Exchange facilities allowing necessary funds for U.S. portion of trip now available! Fly by the Jamaica Arrow from Miama, Fla., every Sunday morning until end of March or sail from New York. For full information and arrangements, consult
YOUR TRAVEL AGENT, or the nearest office of THOS. COOK & SON, LIMITED or AMERICAN EXPRESS COMPANY or write CANADA-WEST INDIAN LEAGUE Sun Life Bldg., Montreal

Note Circulation Shows Increase

An increase of over $28 millions in total assets is shown in the statement of the Bank of Canada for the week ended March 5. The increase was due to larger holdings of sterling and United States exchange, investments and other assets, including probably cheques on other banks.

On the liability side, note circulation showed an increase of $7 millions while deposits generally were also higher. Increased government deposits probably reflected payments from abroad for war supplies. The increase in note circulation reflects demand for cash as business speeds up.

	Mar. 5 1941 $	Feb. 26 1941 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	357,441,809	350,311,461
Rest fund	3,722,910	3,722,910
Depos.: Dominion	62,933,198	53,724,400
Bank	211,269,730	208,163,224
Other	4,094,456	3,575,979
Total deposits	278,297,384	265,463,603
All other liabs.	3,622,747	4,735,306
Total liabs.	648,084,850	629,233,280
Assets		
In ster. & U. S.	60,657,205	51,027,330
Subsid. coin	861,393	861,144
Investments:		
Dom. gov. short	449,373,392	446,071,671
Other Dom. govt.	122,292,282	123,254,013
Total invest.	571,665,674	569,325,684
Premises	1,707,835	1,707,171
All other assets	13,192,743	6,311,951
	648,084,850	629,233,280

THE SAFE CONVENIENT WAY TO CARRY MONEY
Canadian Pacific Express TRAVELLERS CHEQUES
OBTAINABLE FROM ALL CANADIAN PACIFIC AGENTS AND MOST BANKS

Company Reports

Société d'Administration

In its 37th annual report, Société d'Administration et de Fiducie, with head office in Montreal and branches at Quebec, Winnipeg, Regina, Edmonton and Vancouver, shows lower earnings largely as a result of increased taxes. Reserve for federal and provincial taxes was $17,102 in 1940 as compared with $7,406 in 1939.

Although net profits of $46,989 were above dividend disbursements of $40,000, the balance at credit in the profit and loss account was sharply reduced by the write-off of $162,750 against security and real estate investments.

Establishment of an executive committee was authorized by shareholders at the recent annual meeting.

Shareholders' Position
As at Dec. 31

	1940	1939
Rate earned per sh.	9.4%	12.3%
Divd. paid per sh.	8%	8%
Net profits	$46,989	$61,745
P. & L. surplus	$118,398	$274,159
Reserves	$227,448	$255,901
Creditors' Position	$	$
Deposits	376,333	341,900
Secured by:		
Liquid assets	376,333	341,900
Net capital assets*	845,846	1,030,060
Estates, Etc.		
Estate, agencies, etc.	32,568,642	33,440,372

*Capital assets after deducting current liabilities and capital stock subscribed but not called.

Canada Northern

Canada Northern Power Corp. reports gross earnings of $5 millions for 1940, a decrease of $244,590 from the preceding year.

After higher operating expenses and taxation, net profit totalled $848,006, a drop of $374,984 from 1939. Earnings of 97 cents were shown on the common stock outstanding, compared with $1.91 in 1939. Net was equal to $14.10 and $20.92 on the 7% preferred. Common dividends of $1.08 a share were paid in 1940, against $1.20 in 1939.

Cons. Income and Surplus Account
Years Ended Dec. 31

	1940	1939
Gross earnings:		
Electric revenue	$4,921,871	$5,166,160
Misc. revenue	98,593	98,894
	5,020,464	5,265,054
Less expenses:		
Purch. power	1,075,276	1,119,379
Operation	715,213	717,607
Maintenance	123,440	128,792
Taxes other than income	290,977	287,333
....	2,204,906	2,253,111
Net earnings	2,815,558	3,011,943
Less: Bd. int. & exch.	819,799	795,116
Deposit int.	7,739	7,115
Depreciation	733,000	725,000
Bad debts	4,925	5,164
Inc. & profits tax	402,089	256,557
Net profit	848,006	1,222,991
Less dividends:		
Subsid. preferred	72,126	72,126
Subsid. common	4,700	10,394
Preferred	385,000	385,000
Common	432,000	480,000
Surplus for year	*45,820	275,471
Add: Prev. surp.	2,643,270	2,405,360
Secs. sale profits	......	8,667
Less: Adjusts.	19,197	25,860
S. f. bond prem.	5,537	6,745
Trans. to spec. res.	......	1,922
Bond red. exp.	......	11,701
Surplus forward	2,572,716	2,643,270

*Deficit.

Working Capital

	1940	1939
Current assets	$3,913,535	$3,948,553
Current liabilities	1,275,217	1,132,192
Working capital	2,638,318	2,816,361

Balance Sheet Changes

	1940	1939
Cash	$ 805,968	$1,089,593
Call loans	645,000	480,000
Investments	1,697,464	1,528,838
Notes rec.	27,000	61,500
Accts. rec.	486,620	534,537
S. f. bonds (par)	239,000	22,000
Funded debt	14,565,500	14,832,000

Commonwealth Inter.

Commonwealth International Corp. reports net income of $30,277 in 1940, against $25,419 in 1939. After income taxes and "excess" profits tax, net profits totalled $25,231 in the past year, against $24,136 in 1939. This was equal to earnings on the common stock of 16 cents and 14 cents respectively.

Expenses for the year of $7,430 are charged against profits on securities. Profits on sundry investments sold during the year totalled $8,945, leaving a balance of $1,515 after expenses for the year.

Total assets at Dec. 31, 1940, amounted to $536,855. Investments, shown at cost, were broken down as follows: Canadian stocks and bonds, $276,010; United States bonds and stocks, $254,679. Market value of the Canadian securities totalled $224,227, and United States, including premiums on United States funds, $220,195.

Income and Surplus Account
Years Ended Dec. 31

	1940	1939
Net income	$30,277	$25,419
Less: Inc. taxes	5,046	1,283
Net profit	25,231	24,136
Less: Dividends	25,624	26,625
Loss for year	393	2,489
Less: Prev. surp.	4,806	7,295
Surplus forward	4,413	4,806

London & Western

During 1940, the London & Western Trusts Co. made substantial additions to general investment reserves, which rose from $317,666 to $585,214. Increase in reserves was effected by transfer of $100,015 from reserve account and $167,007 from profit and loss surplus. Balance of $525 arose through the forfeiture of 15 shares of partly paid capital stock. The general investment reserve is no longer carried separately on the balance sheet but has been applied in writing down various assets to estimated realizable values.

Earnings for the year were lower than in 1939, largely as a result of increased taxation.

Earnings Record

Year	Paid-up Capital & Reserves $	Net Profit* $	Div. Rate $	Rate Earned per Sh. $
1936	1,614,240	48,519	..	3.99
1937	1,614,240	48,901	..	4.02
1938	1,614,240	45,415	..	4.30
1939	1,614,240	45,093	..	3.71
1940	1,513,760	30,486	..	2.51

*After deducting all operating costs, taxes and amounts written off premises.

Liabilities to Public
As at Dec. 31

	1940 $	1939 $
Guaranteed funds	2,237,045	2,237,254
Secured by:		
Liquid assets	568,922	590,759
Mtges., agree., etc.	1,668,755	1,658,245
Other net assets	1,544,185	2,098,913
	3,781,862	4,347,917
Estates, etc.	38,142,328	38,342,399

Dominion Stores

Highest earnings since 1933 are reported in the 1940 statement of Dominion Stores Ltd. Although sales showed an 8.9% reduction under the 1939 figure, net profit in the 1940 period amounted to $100,819 as compared with a loss of $125,208 in 1939.

The programme of closing unprofitable units has been continued with the result that 324 stores were being operated at the end of the year as compared with 378 outlets at the end of 1939. In the years 1938 to 1940 inclusive, the company has closed 234 stores.

Company operations were assisted by the lowering of discriminatory taxation in the province of Quebec, a credit of $54,955 being reported in the statement as a result. The company will apply to the board of referees for adjustment of its excess profits taxation, the amount shown in profit and loss account has been based on the success of the appeal. Of $56,850 shown for income taxes, $19,450 is set aside for excess profits taxes.

Working capital showed a gain of $114,662 over 1939, most important increase being in inventories, which rose over $350,000 in the period. The gain was effected despite certain non-recurring costs brought about by the closing of stores and the modernization and conversion of other units to the self-serve type.

Income and Surplus Account
Years Ended Dec. 31

	1940 $	1939 $
Gross sales	18,120,945	19,909,040
Less: Oper. costs	17,796,929	19,928,698
Executive salaries	49,401	46,667
Directors' fees	1,440	1,620
Legal fees	7,631	6,677
Depreciation	115,551	60,581
Add: Interest earned	7,676	9,996
Net earnings	157,669	*125,208
Less: Income taxes	56,850	......
Net prof. & surp. for yr.	100,819	*125,208
Add: Tax refund	54,955	......
Insurance refund	......	13,198
Fire reserve	25,000	......
Other	26,210	......
Less: Previous deficit	150,641	38,632
Surplus forward	56,343	*150,641

*Loss or deficit.

	1940	1939
Earned per Share:		
Common	$0.36	d$0.45

No dividends paid.

Working Capital

	1940 $	1939 $
Current assets	2,688,160	2,539,617
Current liabilities	531,636	497,754
	2,156,524	2,041,863

Moore Corp.

Shipments and profits of Moore Corp., makers of business forms and paper boxes, for 1940 were the largest in the companys' history. All operating divisions contributed "in a satisfactory manner," the directors report.

As a result, the company earned $3.72 a share on its common stock compared with $3.57 a share for 1939. The regular dividend rate has been increased to $2 annually, while a 60-cent bonus was also paid last year.

The balance sheet shows the company's usual strong working capital position. Cash of $4.1 millions is well above total current liabilities. A footnote to the 1940 balance sheet reads as follows:

"The greater part of the assets, liabilities and earnings reflected in the above consolidated balance sheet and related consolidated statement of profit and loss and surplus, are located or originate in the United States. Such items are included in these consolidated statements in United States dollars at par, notwithstanding the fact that United States funds, at Dec. 31, 1940, were at a premium in relation to Canadian currency."

Cons. Income and Surplus Account
Years Ended Dec. 31

	1940 $	1939 $
Total earnings	3,309,218	2,814,000
Less: Depreciation	633,687	628,701
Income & E. P. taxes	888,700	503,400
Net profit	1,786,871	1,681,899
Less dividends:		
Preference	239,864	237,170
Common	980,359	869,772
Surplus for year	566,648	554,957
Add: Prev. surp.	3,716,279	3,161,279
Surplus forward	4,282,927	3,716,279
Earned per Share:		
Common	$3.72	$3.57
Paid	1.80+0.60	1.60+0.60
Shares o/s:		
Class A pref., $100 par	27,031	30,477
Class B pref., $100 par	4,715	5,230
Common, n.p.v.	416,056	399,182
Working Capital	$	$
Current assets	10,481,881	9,275,128
Current liabilities	2,775,093	2,323,787
Working capital	7,706,788	6,951,341

TWENTY-FIRST ANNUAL REPORT

TO THE SHAREHOLDERS OF

DOMINION STORES LIMITED

THE report of the operations of your Company for the year 1940, together with the Balance Sheet, Statement of Income and Expenditure, and Statement of Surplus Account, is submitted herewith.

The policies and plans discussed in the report covering the year 1939 were further advanced and enlarged during 1940. Modernization throughout the chain continued. More unprofitable stores were closed while new self-service stores were opened. Further definite steps were taken to strengthen the control of the operation and to ensure a sound performance.

SALES AND PROFITS

Sales for the year at $18,120,945.10 were 8.98% lower than in 1939, but we had an operating profit of $324,015.99 as compared with an operating loss of $19,658.40 the previous year. On the average there was a decrease of 90, or 20.93% in the number of stores operated, but sales per store increased 15.51%.

Net income for the year, before Dominion and Provincial Income Taxes but after all other charges, including a provision of $115,551.28 for depreciation, was $157,668.73, as compared with a loss of $125,207.63 in 1939. Net profit to be carried to Surplus Account, after providing for Dominion and Provincial Income Taxes and Dominion Excess Profits Tax at a rate of 35%, was $100,818.73.

The success of the improvement and modernization programme referred to in last year's report, as reflected in the results for 1940, indicates that the operations of the Company, for reasons peculiar to itself, were depressed during the years 1936 to 1939 inclusive, or the standard period used as a base in determining normal profits under the Excess Profits Tax Act. Accordingly, the Company will apply for special consideration from the Board of Referees appointed under the Act and steps have been taken towards filing an application at the appropriate time. In making provision for Excess Profits Taxes on the accompanying Balance Sheet, it was assumed that such an application would be successful.

In general, improvement in results for 1940 was due very largely to the increased efficiency of the operation as a whole. While, as is noted later on in this report, there has been a rise in the average wages paid to employees, in other directions economies in operating expenses have been possible. The lowering of discriminatory taxation in the Province of Quebec was of benefit to 1940 results to the extent of $9,072.82. Elsewhere in this report, credit to prior years' operations as a result of new tax legislation in that Province is indicated.

Operating expenses for 1940 include all costs of doing business as well as charges incidental to opening and closing stores and certain non-recurring items occasioned by necessary changes in operating policies.

As a result of the profit for the year and certain surplus adjustments, as shown in Statement No. 3, the deficit of $150,641.14 at December 31st, 1939, has been converted to a surplus of $56,342.63 in the accompanying Balance Sheet.

FINANCES

Although substantial capital outlays, due to the opening of self-service units, were made during the year, working capital at $2,156,524.63 increased $114,661.76 over 1939. The ratio of current assets to current liabilities was 5.05 to 1 at the end of 1940.

Your Company was glad to be able to do its part in support of the common war effort by subscribing for $150,000.00 of Second War Loan bonds.

Additional Fire Insurance coverage has justified a reduction in Fire Loss Reserve from $40,000.00 to $15,000.00

The net worth of your Company at December 31st, 1940, was $3,156,682.59, equal to $11.27 per share issued and outstanding. Of that amount $7.70 is represented in net working capital.

OPERATIONS

All phases of the modernization programme outlined in the report for 1939 were advanced during the past year and are continuing in 1941. There were 69 stores closed in 1940 and 15 new stores opened. At December 31st, 1940, the Company had in operation 63 modernized self-service stores. Progress, we believe, is being made as rapidly as possible, considering the time necessary for selection of locations, equipping stores, and training personnel required for self-service operation.

Some idea of the magnitude of the problems incident to the reconstruction of your Company's business may be gained from the statement that during the years 1938 to 1940, inclusive, it has been necessary to close 234 stores. At the end of 1940, 324 stores were in operation.

PERSONNEL

In the belief that loyalty and efficiency are largely the result of fair and sympathetic relations with its employees, your Company, in continuance of a set policy, has tried to take every opportunity to improve conditions for its personnel.

Average wages have been increased. For example, a comparison of average weekly salaries paid to store employees as at December 31, 1940, shows an increase over December 31st, 1939, of 12% in respect to store managers and of 20% in respect to store clerks. Vacations with full pay were extended to cover all full-time employees. Hours of labour have been the subject of constant study, and improvements have been instituted where practicable. All employees taking temporary training in the Canadian Army Reserve have been given special financial consideration.

A total of 91 employees have already joined the Permanent, Army, Navy and Air Forces. The Company is proud of these loyal Canadians, and also of its other employees, many of whom, with their families, are voluntarily serving their country, not only in the performance of their daily tasks but in special activities during their off-duty hours.

The Company is co-operating with the Government in its plans for the promotion of the sale of War Savings Certificates, both to employees and to customers.

Supplementary to our ordinary training courses, an educational programme on more general lines was inaugurated during the year. This should prove of great value to the employees personally and should further react to the benefit of the customers and the Company.

Service Pins, which are highly prized by our staff, were presented to employees during the year as follows: 20 years' service—13; 15 years' service—15; 10 years' service—40, and 5 years' service—75.

Our house organ, "The Cracker Barrel," is now well established as a medium for keeping our employees in touch with what is going on within the organization and for assisting in the development of that esprit de corps on which we lay a good deal of stress.

We are glad to take the opportunity to express, in this public way, our appreciation of the loyalty of the employees and gratefully to acknowledge the many indications of increasing goodwill within the organization.

PUBLIC RELATIONS

Your Company has continued its efforts to co-operate in full measure with producers and suppliers of foodstuffs and with Provincial and Dominion Governments.

Present abnormal conditions increase the problems of distribution. Your Company is doing its best, and with gratifying results, to assist all those engaged in the production and distribution of food towards a better understanding of our mutual problems so that satisfactory solutions may be found.

The year 1940 saw a decided improvement in the general attitude towards chain store organizations. Evidence of this appeared in the lowering of discriminatory taxation in the Province of Quebec. We feel amply rewarded for the effort which has been made, along with other organizations, to bring about a better understanding on the part of all concerned.

Through the proper conduct of its affairs, your Company hopes to continue to merit the support of suppliers, employees, the buying public, and Government bodies. We feel that we have a useful part to play in Canadian business. As public appreciation of that will depend on our performance, the entire effort of your Management is being directed to seeing that the performance is a sound one.

On behalf of the Board of Directors,
J. WILLIAM HORSEY,
President.

Comparative Balance Sheet

Current: ASSETS	31st December 1940	31st December 1939
Cash on Hand and in Banks	$ 511,841.61	$ 649,391.00
Call Loans and Deposit with a Trust Company	175,000.00	326,200.00
Dominion of Canada War Loan Bonds	150,593.75	....
Accounts Receivable (Less Reserve for Bad Debts)	119,935.76	186,556.07
Merchandise	1,730,789.23	1,377,469.84
TOTAL CURRENT ASSETS	$2,688,160.35	$2,539,616.91
Deferred Charges and Prepaid Expenses	$ 66,332.30	$ 47,040.49
Mortgage Receivable	3,000.00	....
Buildings, Land, and Fixtures (Less Depreciation Reserve)	945,824.66	900,794.46
Goodwill	1.00	1.00
	$3,703,318.31	$3,487,452.86
Current: LIABILITIES		
Accounts Payable and Accrued Charges	$ 442,422.67	$ 456,043.65
Taxes Payable and Accrued (Excepting Income Taxes)	32,363.05	41,710.39
Provision for Dominion and Provincial Income Taxes	37,400.00	....
Provision for Dominion Excess Profits Tax	19,450.00	....
TOTAL CURRENT LIABILITIES	$ 531,635.72	$ 497,754.04
Reserve for Future Fire Losses	$ 15,000.00	$ 40,000.00
Capital Stock	3,100,339.96	3,100,339.96
Surplus (1939 Deficit)	56,342.63	†150,641.14
	$3,703,318.31	$3,487,452.86

†—Deficit 1939

Comparative Statement of Income and Expenditure and Surplus

Year Ended 31st December

	1940	1940	1939	1939
Sales		$18,120,945.10		$19,909,039.58
Cost of Sales, Selling and Administrative Expenses	$15,742,518.28		$17,694,707.66	
Wages and Salaries, Other than Executive	1,975,026.30		2,101,838.31	
Taxes and Licenses (Excepting Income Taxes)	79,384.53	17,796,929.11	132,152.01	19,928,697.98
Operating Profit (1939 Operating Loss)		$ 324,015.99		*$ 19,658.40
Add: Interest Earned (1939 Deduct)		7,676.26		9,995.58
		$ 331,692.25		*$ 9,662.82
Deduct: (1939 ADD:)				
Provision for Depreciation of Fixed Assets	$ 115,551.28		$ 60,580.91	
Executive Salaries	49,400.68		46,666.64	
Directors' Fees	1,440.00		1,620.00	
Legal Fees	7,631.56	$ 174,023.52	6,677.26	$ 115,544.81
Profit before Provision for Income Taxes (1939 Loss)		$ 157,668.73		*$ 125,207.63
Provision for Dominion and Provincial Income Taxes and Dominion Excess Profits Tax		56,850.00		....
Net Profit for Year (1939 Loss)		$ 100,818.73		*$ 125,207.63
Surplus at End of Year (1939 Deficit)		$ 56,342.61		†$ 150,641.14

*—Loss 1939 †—Deficit 1939

C. I. L. Sales 20% Higher In Past Year

Extensive Operations Are Outlined by Vice-President G. W. Huggett

From Our Own Correspondent

MONTREAL. — Total volume of sales handled by Canadian Industries Ltd. in 1940 was 20% higher than in the previous year, but net income was 13% lower than the previous year, according to Geo. W. Huggett, first vice-president, in the annual report to shareholders.

The bulk of the demand for the company's products continued as in peacetime to originate with the major chemical consuming industries and the higher level of general business activities, which started in 1939, increased the volume of sales in early all fields of operations.

In spite of this greater activity, the less favorable net financial results were due to taxes, increased delivered costs of raw materials, higher labor costs, and the expense complying with the various wartime regulations.

Capital Outlay $4 Millions

Last year the company authorized capital expenditures of over $4 millions in order to meet wartime demands of the chemical consuming industries. Included in this figure are amounts for erection of additional facilities to provide for the manufacture of zinc, chloride and sodium sulphite at Hamilton; nylon yarn at Kingston and nylon monofilament at Brownsburg. The remainder of the expenditure provided for increased capacity of existing plants, made possible an expansion on the output of sulphuric acid at Hamilton, caustic soda at Windsor, and chlorine at Shawinigan Falls and Cornwall.

Reviewing operations for the past year, Mr. Huggett said, the greater volume of sales in the chemical group, which accounted for over 55% of the increase in total sales, was attributable largely to a considerably higher level of activity in the pulp and paper and textile industries. The cellulose products group made the next largest contribution to the increase in total sales, partly brought about by expanded requirements of the automotive industry.

Sales of the explosives and ammunition and fertilizer groups, made up for the most part as shipments to the mining and farming industries, achieved only a minor advance over the high levels of the previous year.

Military Sales Small

Referring to the sale of military products, Mr. Huggett states that with certain very minor exceptions sales in 1940 to the Canadian and other governments in the British Commonwealth were made by the wholly owned subsidiary, Defence Industries Ltd., which is now acting for the Government in the construction of plants and the production of war materials.

During the year less than 1% of the total sales of C. I. L. were made to D. I. L., and additional sales, amounting to slightly over 1%, were made direct to various Canadian and British Government bodies. The chemical requirements of many trades and industries engaged in war production were supplied by the operating division of the company.

Referring to Defence Industries Ltd., the report states that in addition to erecting and operating Government owned plants on a fixed fee basis, the new company extended and brought into full production certain relatively small plant units transferred from the parent company. For this purpose and to provide working capital, an amount of $2 millions was invested in the capital stock of D. I. L., and at the end of the year dividends totalling $77,700 were declared covering a period of 15 months since the beginning of operations.

Lower '41 Rate For Toronto

Debt, Relief, Maintenance Costs Pared — Assessment Reduced

The 1941 budget for the City of Toronto as revised by the Board of Control, results in a tax rate of 34.60 mills, a reduction of .55 mills from the 1940 rate. Estimated expenditures have been cut 1.33% below the 1940 figure and for 1941 totalled $37.6 millions, compared with $38.1 millions.

The reduction in mill rate will apply to a lower general assessment, of $875.7 millions which is $7.6 millions below the 1940 general assessment.

The new levy is in part made possible by a surplus brought forward from 1940 of $96,919 which compares with a deficit in the previous year of $174,712.

Principal factors resulting in the lower rate are a decrease in debt charges of $130,100, lower unemployment relief expenditures amounting to $270,800, and a drop in maintenance cost amounting $266,200. Offsetting these amounts and tending to create higher rates are an increase in the amount appropriated for snow cleaning and cindering of $262,800, and a decrease in taxation revenue due to reduced assessments amounting to $179,900.

Great West Saddlery Pays On Arrears

Declaration of $1.50 per share on the 6% $50 par first preferred stock of Great West Saddlery Co., along with regular 75-cent quarterly payment, clears up arrears of dividends on this class of the company's stock. The payment which will be made April 4, 1941, to shareholders of record March 21, will be paralleled by a $3 disbursement on the second preferred, on the same date and record.

Dividend on the second preferred is the first since the initial payment of 75 cents on April 1, 1938. Following this payment, dividends on the 6%, $50 par second preferred will be two years in arrears, or $6 per share.

In 1940 the company earned $7 on the first preferred stock, $24.13 on the second preferred shares. There were 6,992 shares of the first preferred stock outstanding, 1,158

RE-ELECTED HEAD

J. H. Davey, vice-president and managing director of International Paints (Canada) Ltd., and president of A. Ramsay & Son Co., has just been re-elected president of the Canadian Paint, Oil and Varnish Association.

See Steel Mill Soon For B. C.

From Our Own Correspondent

VANCOUVER. — Since the embargo was established on export of scrap metal, large quantities of steel have been accumulating in British Columbia, and it is reported that within the near future furnace and rolling mills will be built here to utilize the material for domestic construction trades, railway requirements and war orders.

Such an undertaking is said to have the support of Hon. C. D. Howe, minister of munitions and Supply, and Steel Controller Hugh D. Scully. It would cost between $250,000 and $500,4000.

A syndicate headed by Frank Wilkinson, Vancouver steel man who operates Morrison Steel & Wire Co. and Pacific Bolt Co., is declared ready to go ahead with the project provided it conforms with national policy.

Construction Activity Keeps at High Level

Current Trends Of Construction

Trends of construction activity in Canada last month and so far this year, analyzed according to chief categories of projects started, are shown in the following tabulation by The Financial Post from the monthly building statistics of MacLean Building Reports.

CONSTRUCTION CONTRACTS AWARDED

	1941	1940	Change	
	—millions of $—			%
First Two Months				
Residential ...	7.2	5.6	+1.6	+28
Business	8.6	6.7	+1.9	+28
Industrial	22.3	5.0	+17.3	+346
Engineering ..	13.3	3.2	+10.1	+315
Total	51.3	20.6	+30.7	+149
February Totals				
Residential ...	3.5	3.3	+0.2	+6
Business	3.6	3.8	—0.2	—5
Industrial	13.3	2.5	+10.8	+432
Engineering ..	4.2	2.2	+2.0	+9
Total	24.7	11.8	+12.9	+110

Details of February Awards

	1941 $	1940 $
Apartments	451,900	535,300
Residences	3,024,700	2,746,000
Total residential .	3,476,600	3,281,300
Churches	47,700	231,800
Public garages	234,300	81,900
Hospitals	340,500	7,500
Hotels, clubs	215,300	125,700
Office bldgs.	266,800	346,300
Public bldgs.	850,000	1,356,100
Schools	1,000	423,900
Stores	960,500	695,400
Theatres	133,800	20,200
Warehouses	607,800	542,000
Total business ...	3,657,700	3,830,800
Total industrial ...	13,316,100	2,486,200
Bridges	938,000	100,000
Dams, wharves	2,998,000	349,300
Sewers, w'mains ...	116,200	604,200
Roads, streets	197,000	517,100
Gen'l. engineering .	5,000	600,000
Total engin'ring .	4,254,200	2,170,600
Grand Total	24,704,600	11,768,900

Volume in First Two Months More Than Double 1940 Period

Despite completion of a large part of construction for the Air Training Plan and other military purposes, continued fair volume in this field and tremendous activity in war factory building have kept construction across Canada at a high level.

Total of contracts awarded during the first two months of 1941, as compiled by MacLean Building Reports, was $51.3 millions—about two and a half times greater than the corresponding 1940 figure of $20.6 millions. In February contracts amounted to $24.7 millions, slightly below January, but 110% higher than February last year.

Factory Work Booms

Industrial construction is still showing spectacular gains in year-to-year comparisons, and in both volume and percentage increases is away out in front of other categories of construction. In the first two months of this year, factory projects have totalled over $22 millions, about four and a half times as much as the same period in 1940. The February industrial figure of $13.3 millions accounted for more than half of all building, and was about five and a half times greater than the same month a year ago.

The other divisions also show gains over 1940, however, in the first two months of the year. The "business" group — including air training structures and other public building awards—showed a small decline in February but is up nearly $2 millions or 28% so far in 1941. Engineering awards have been nearly four times greater than in 1940 in the first two months.

A further gain in residential building during February put this important division 28% ahead of 1940 in the January-February period. The increase is contributed entirely by activity in the house building field, apartment construction showing a decline.

Montreal Stocks Trade Down in February

From Our Own Correspondent

MONTREAL. — Value of transactions on the Montreal Stock Exchange and Curb Market in February totalled $3.9 millions, a decrease of $1.4 million from January and a drop of $9.2 millions from February, 1940. Value of transactions in February reached the lowest total since July, 1940, when the figure was $3.8 millions.

Consolidated Press Issues New Bonds

$375,000 at 4-4½% Sold Through R. A. Daly Co., Toronto

A reduction in annual interest charges of over $8,000 has been effected by the issue of refunding first mortgage and leaseheld bonds of Consolidated Press Ltd., Toronto. Issue is for a total of $375,000 and consists of $100,000 in 4% serial bonds, due in five equal installments on March 15, 1942 to 1946 inclusive, and $275,000 in 4½% sinking fund bonds maturing March 15, 1956. The new securities will replace the 6½% 20-year sinking fund debentures which were to mature June 1, 1949. Upon approval by shareholders, this issue is to be redeemed at 103 and accrued interest.

Entire issue of the new bonds has been sold by R. A. Daly Co. of Toronto, the term issue having been offered in the prospectus at 97.50 to yield approximately 4.75%.

Earnings of Consolidated Press for the first nine months of the current fiscal year ending March 31, 1941, are reported at $47,519, before interest charges and income taxes, as compared with $74,705 for the full 1940 fiscal year. Based on interest charges applicable under the terms of the new issue, and the present scale of income taxation, the following comparison of consolidated earnings has been made:

Earnings Record

	9 Mos. ended Dec. 31 1940 $	Year ended Mar. 31 1940 $
Oper. & other income	81,418	119,788
Less: Depreciation ...	33,900	45,083
Interest, new bonds	12,281	16,375
Income taxes	12,500	26,000
Net profit	22,737	32,330

The above comparison consolidated the operations of the company and its wholly owned subsidiary, Graphic Arts Building, Ltd. The company owns and publishes "Saturday Night," "Canadian Home Journal," "Farmer's Magazine," "The Canadian Trader and Jeweller," "The Canadian Cigar and Tobacco Journal," "Motor Magazine" and "Canadian Baker and Confectioner."

Central Electric Stations Set Record January Output

From Our Own Correspondent

MONTREAL. — Central electric stations of Canada produced 2,635 million kw.h. of electrical energy in Jan., 1941, the greatest output for that month in the history of the industry and an increase of 4.3% over the same month a year ago.

Exports to the United States amounted to 192.5 million kw.h., including 118.6 million kw.h. of firm power and 73.8 million kw.h. of secondary power.

Firm power produced for use in Canada increased from 1,853 million kw.h. in Jan., 1940, to 2,188 million kw.h. in Jan., 1941, which was larger than the previous high record made in Dec., 1940, by 53.7 million kw.h.

The Dominion Bureau of Statistics compilation of the returns of the central electric stations in January is presented in a new format, which is more detailed than in reports previously issued.

A summary of the new returns to show production, receipts from other provinces, and net consumption, by provinces follows:

Summary of Returns
(Thousands of Kilowatt Hours)
January, 1940

	Output	Imports	Exports	Net consumption
P. E. I.	752	......	......	752
N. S.	40,241	......	......	40,241
N. B.	45,471	563	2,812	43,222
Quebec	1,350,870	12,107	332,250	1,030,727
Ontario	815,051	276,809	146,734	945,126
Manitoba	122,915	......	101	122,814
Saskatchewan	50,202	......	......	50,202
Alberta	26,911	1,976	......	28,887
British Columbia	182,282	......	2,028	180,254
Total	2,634,695	291,455	483,925	2,442,225

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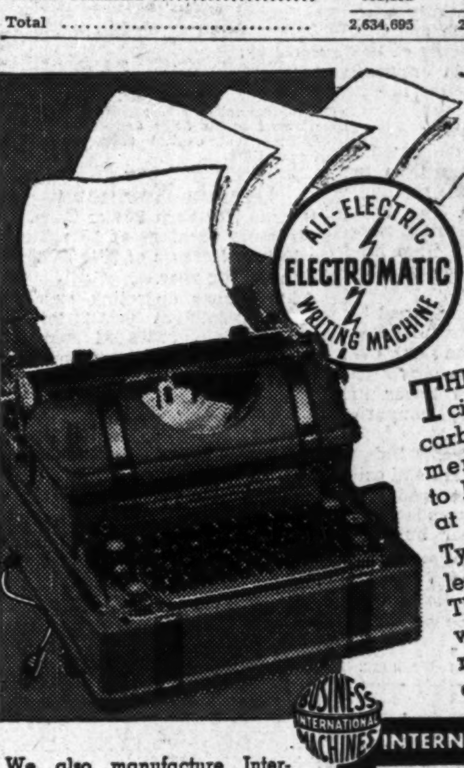

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And Mercury sweeps on into '41 with records of gas and oil economy that would be surprising in a car of any size. "Gasoline and lubrication costs worked out at less than 1.2¢ per mile for the entire 6,666 miles," writes one Mercury owner. "I have secured an average to date of 24 miles to the gallon," writes another Mercury enthusiast.

No doubt about it, the Mercury V-type 8-cylinder engine is one of the most efficient engines on the road today. It is ideally balanced with the car's weight to give an unequalled combination of smoothness, liveliness and economy.

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FORD MOTOR COMPANY OF CANADA, LIMITED

MERCURY-8

THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

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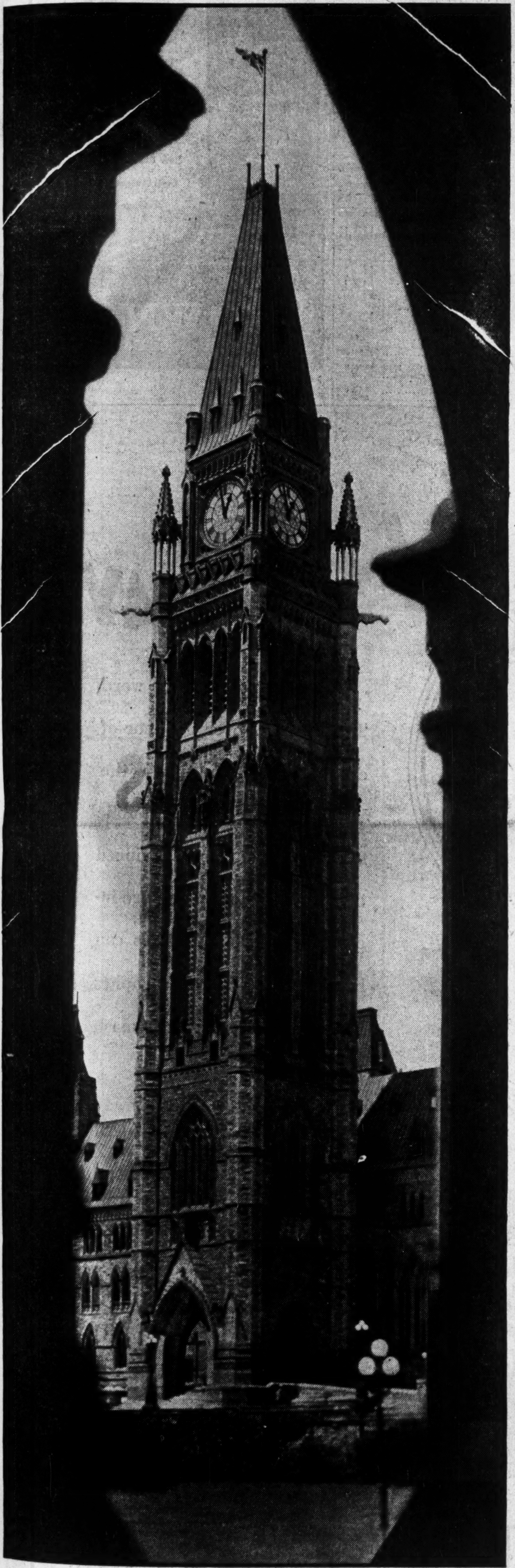

Symbolic of national strength is Canada's Peace Tower, Ottawa. Symbolic of the character and thrift of her citizens is the life insurance which Canadians own and which they continue to acquire.

In 1940, premium payments totalled $214 millions. Insurance now in force on the lives of 4,000,000 Canadians amounts to $7,000 millions. These premium payments not only gave added security for Canadian homes. They also provided a steady stream of new wealth to help Canada finance its war effort.

Good Citizenship—

Canada's Life Insurance Dollars are National Asset in Peace and War

By DONALD G. MACLEAN
Insurance Editor

Life insurance is a major bastion of defense for Canada and for all Canadians. It is the essence of good citizenship.

Providing a vast and ready source of funds for waging war is its special wartime service.

But life insurance continues its usual function of providing security for four million policyholders, through regular saving and expert investment.

Life insurance continues a mighty partner in the nation's business, helping to expand industry, to harness and develop natural resources, to build houses, to push back the frontier.

Life insurance, above all, provides security and comfort for those who need it most when they need it most.

Security Watchword

Security has been the watchword of Canadian life insurance in the management of its policyholders' funds. In 1940 the assets of the companies generally showed increases over the previous year.

Due to unsettled conditions brought about by the war, sales of new life insurance at $590.2 millions have been only 0.3% above the previous year, but insurance in force at $6.9 billions has increased almost 3%. Policyholders have proved anxious to retain life insurance they already had, and conservation of policies has been good.

The low interest rate prevailing made the satisfactory investing of funds difficult. With revenue from this source declining it is felt that premium rates will ultimately have to be increased.

This war year, Canadian life insurance companies will have over $100 millions of fighting dollars to help buy airplanes, and tanks, guns and shells; to speed Canadian industry for the defense of our honor and ideals.

Voluntary Thrift

The voluntary thrift of the Canadian people last year provided $214 millions of new money—premium payments.

This provided a vast and ready fund for government and industrial needs.

But while those millions of dollars built more security for homes, families and individuals, they also helped the cause of orderly war financing, helping to slow down rises in the cost of living and staving off inflation, the cruel spectre which hurts most those who can bear the least.

There are only two sound ways to finance war. Taxation and borrowing. There are definite limits to which taxation can be carried. Borrowing from Canadians is the alternative. Just like the dollars of war loans and war savings stamps, so millions of your life insurance dollars are readily and economically directed into this nation's war effort.

Through their regular savings, Canadians have built a national institution of life insurance companies having assets of over $2¼ billions, millions of which has already been loaned to the Canadian Government.

The voluntary payment of premiums annually made by a million policyholders, the voluntary loan of much of that money to government and industry are very different indeed to the forced loans of Hitler-conquered territories.

These insurance dollars are emblematic of free men in a free land.

Life insurance dollars come mostly from the great masses of the people. They are symbolic of democracy. In a recent typical year, out of nearly $200 millions collected in premiums $39 millions were from holders of industrial policies, workers who find it easier to pay a small amount—10 cents or 25 cents each week.

Democratic Way

Over $7 millions of insurance dollars came from group insurance protecting workers in factories and offices.

Over $150 millions were ordinary premiums paid in at the rate of $30 a year by the young clerk or the $1,000 payments of the business executive. Once in the company's treasury these premium dollars all rub shoulders with each other and side by side go to fight for Canadian homes and freedom.

People of all walks of life, of all economic standings, are thus linked together in a common bond, fellow partners in Canada's mightiest enterprise.

Tens of thousands of Canadian homes have been built or purchased, farms paid for by mortgage loans from life insurance companies. Around $300 millions of the savings of policyholders has been channelled into serving the needs — often of other policyholders — by the institution of life insurance.

Through investments of $1 billion in bonds, debentures and stocks of industrial enterprises, life insurance policyholders are partners in more than 9,000 industrial and business undertakings. By putting together their resources, life insurance policyholders create work for themselves, for thousands of others, help strengthen and build Canada.

Skilled Investment

Providing skill in the investment of funds far beyond that possible for the great majority of citizens, life insurance savings offer the best obtainable combination of safety and return.

No policyholder has ever suffered a loss through the failure of any Canadian life insurance company to honor its contracts.

More than $500,000 a day is paid out to Canadians in life insurance benefits.

More than 350,000 applications for membership in the two and a quarter billion dollar enterprise of Canadian life insurance will be signed in the Dominion this year.

About 70% of the $150 millions which will be paid back by life insurance companies this year will go to living policyholders.

This year Canadian life insurance companies will have over 100 millions of fighting dollars to speed Canadian industry for the defense of our honor and ideals.

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Manufacturers Life

Business in Force and Total Assets Show Increases in 1940

In spite of the difficult conditions in underwriting brought about by the war, business in force with the Manufacturers Life Insurance Co. in 1940, exclusive of annuities, increased $16 millions to $582 millions, a new high record in the company's history. This result was published according to J. H. Lithgow, general manager, in spite of a reduction in new business produced in the company's agencies abroad. The expansion in business in force was due to a favorable termination rate during the year, policies surrendered in 1940 being $2.7 millions less than in 1939.

The Manufacturers Life Insurance Co. was organized with head office in Toronto in 1887.

The company ranks among the first seven Canadian companies.

Business Outside Canada

It does a large business outside Canada extending its operations abroad for the first time in 1893 when it opened a branch in Bermuda.

It now operates in Great Britain, West Indies, Central and South America, Africa and Asia as well as the United States. More than half its total business is outside Canada.

An increase of $12 millions in total assets was due mainly to large holdings of Government and municipal bonds.

These now form almost 64% of the company's total invested assets. Payments under policy contract in 1940 were $15.4 millions, slightly lower than in the previous year. Of the total payment $11.1 millions was paid to living policyholders annuitants, etc.

In spite of the large business outside Canada the company's mortality experience in 1940 was the second lowest in the last five years.

Officers—
M. R. Gooderham, K.C., pres.; F. G. Osler, vice-pres.; J. H. Lithgow, gen. mgr.; E. S. McFarlane, asst. gen. mgr. and exec. sec.; A. McKenzie, asst. gen. mgr. and mgr. of agencies; R. E. Dowsett, sec.; S. M. Thompson, treas.; G. L. Holmes, actuary; H. C. Cruickshank, med. officer; J. R. Beveridge, H. J. Stowe, asst. actuaries; D. R. MacKenzie asst. sec.; R. C. Montgomery, asst. med. officer; E. J. White, mgr. mortgage dept.; A. Kirch, agency supt.; A. R. Ferguson, agency mgr. for Gt. Britain; J. A. Broadbent, inspector U. S. division; F. A. Nicholson, inspector Canadian division.

Directors—
Representing shareholders—M. R. Gooderham, K.C., C. S. Band, G. H. Cassels, K.C., Leigh M. McCarthy, Col. A. L. Bishop, J. H. Lithgow, all of Toronto. Representing policyholders—R. A. Daly, F. G. Osler, D. G. Ross, M.P., all of Toronto.

Field of Operations—
Canada, states of California, Delaware, Illinois, Michigan, New Jersey, Ohio, Oregon, Pennsylvania and Washington; also Alaska, Antigua, Bahamas, Barbados, Bermuda, British Guiana, British Honduras, Burma, Ceylon, Colombia, Cyprus, Cuba, Curacao, Dominica, Dutch Guiana, Egypt, Federated Malay States, Great Britain and Northern Ireland, Grenada, Guatemala, Haiti, Hawaii, Hong Kong, India, Jamaica, Japan, Java, Kenya, Newfoundland, Nicaragua, Palestine, Panama (Canal Zone), Philippines, Puerto Rico, St. Kitts-Nevis, St. Vincent, Salvador, Sarawak, South Africa, Straits Settlements, Sumatra, Thailand, Trinidad and Tobago, Virgin Islands, Santo Domingo, St. Lucia, China, Macao.

Capital—Authorized	$3,000,000
Subscribed	1,500,000
Paid-up	1,500,000

Dividends Paid on Capital Stock—12% per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins.* Paid for ($ 000)
1912	16,132,947	73,889	15,307
1917	24,585,927	98,129	13,814
1922	42,084,330	217,422	38,148
1927	76,483,180	402,554	70,820
1932	117,786,626	526,253	58,580
1936	143,685,519	532,540	56,992
1937	154,938,935	†535,954	†57,528
1938	167,371,396	†551,445	†54,641
1939	177,808,634	†568,244	†53,394
1940	190,068,353	†582,089	†47,611

†Excluding deferred annuities.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	37,128,751	454,383,103
(b) Non-partic.	9,787,787	115,230,544
Sinking fund & cap. redempt.	......	457,051
Group	694,380	12,018,386
Totals 1940	47,610,918	582,089,084
1939	53,394,522	568,244,619

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	36.0	35.3	35.4	31.7
Municipal	13.6	13.4	13.8	15.3
Other	14.3	13.9	12.2	12.5
Total	63.9	62.6	61.4	59.5
Mortgages:				
Farm	3.1	3.5	3.8	4.3
Urban	10.8	11.7	12.2	13.1
Total	13.9	15.2	16.0	17.4
Policy loans	10.5	10.9	11.8	12.8
Stocks:				
(a) Preferred	1.6	1.4	1.2	1.2
(b) Common	4.3	4.5	4.3	3.9
Real estate	3.7	3.9	4.2	4.2
Other	2.1	1.5	1.1	1.0
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion department of insurance)	4.45%
Consideration received from annuities, 1940	$ 3,340,886
Foreign business:	
(a) Amt. in force 31/12/40	313,717,385
(b) New business effected	28,434,614
Death claims paid:	
1940	4,302,458
1939	4,038,774

Aetna Life

Although insurance effected by the Aetna Life Insurance Co. of Hartford in Canada in 1940 was less than half that of the previous year, insurance in force increased almost $2.6 millions to $135 millions. Total assets in Canada also increased $1.8 million.

The Aetna Life was organized first as a branch of the Aetna Insurance Co. of Hartford in 1850 when it started business in both Canada and the United States. It was incorporated in 1853 under the laws of Connecticut.

Total business in force with the Aetna Life is $4.3 billions and total assets are $716 millions.

Head Office—Hartford, Conn.
Head Office for Canada—Montreal.
Chief agent in Canada—E. J. Christmas.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. Effected ($ 000)
1934	13,987,837	82,776	2,477
1935	13,869,656	84,696	3,882
1936	13,823,673	105,201	3,096
1937	14,286,601	115,466	4,541
1938	14,557,680	123,422	6,688
1939	13,697,762	132,498	6,313
1940	15,476,615	135,021	3,106

Entire Operations

Total assets, 1940	$ 716,246,783
Total bus. in force, Dec. 31/40	4,347,658,506
*Total new ins. effected 1940	285,034,154

	1940 %	1939 %	1938 %	1937 %
‡Interest earned	3.74	3.63	3.79	3.85

*Issued, accepted and paid for, exclusive of increases, revivals and annuities.
‡On mean net ledger assets as reported to Dominion department of insurance.

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Perhaps the most effective of recent exhortations is Herbert Morrison's "Go To It". Undoubtedly, we must all subscribe to the Empire's war effort . . . physically, mentally and materially.

The Prudential of England is "going to it" with nearly 8,000 members of the Company's staff on active service . . . with every member of the Canadian staff pledged to buy War Savings Certificates, monthly . . . with the English Head Office subscribing £25,000,000 to the British National War Loan . . . and local branches throughout the Empire subscribing to the war Loans of the various Dominions.

The Prudential's Canadian policy holders are fully protected by the Company's deposits with the Canadian Government and, in addition, they have the security of the total assets of the Company in the class of business to which their policy belongs. All Canadian policies are issued in Canada and claims paid in Canada.

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ASSURANCE COMPANY LIMITED OF LONDON, ENGLAND

Head Office in Canada:
465 St. John St., Montreal, Que.

With Branch Offices in Principal Cities Throughout the Dominion

LIFE — FIRE — CASUALTY

Industrial Life

Gain of 26% in Business in Force Shown

An increase of about 27% in business in force is shown by the Industrial Life Insurance Co. of Quebec for 1940 compared with 1939. New insurance written rose 45% to $6.4 millions. Total assets increased almost 10%.

The Industrial Life Insurance Co. was established in 1905 with head office in Quebec City. It operates in Quebec Province.

During 1940 the amount paid to living policyholders and annuitants was $200,052.

Of the total assets of $2.5 millions, the bulk are in bonds. Over 56% of total invested assets are in this class of security. For several years past, investments in bonds have been showing a steady increase. Holdings of mortgages at the close of 1940 were lower than in 1939. The rate of interest earned on invested assets in 1940 was 5.1% compared with 5.03% the year previous.

Officers—
J. K. Leonard, pres. and man. dir.; C. E. Taschereau, vice-pres.; Claude Taschereau, sec. & treas.; A. F. Muth, actuary.

Directors—
Olivier Drouin, S. Gaudreau, M.D., J. K. Leonard, B. J. Leonard, E. Leonard, A. F. Muth, C. E. Taschereau, C. Taschereau, A. Taschereau.

Field of Operations—
Quebec Province.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Effected ($ 000)
1937	1,950,543	14,320	6,027
1938	2,109,381	16,434	7,425
1939	2,275,385	19,639	6,417
1940	2,506,045	25,243	9,330

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Partic. & non-partic.	3,889,536	7,403,418
Industrial	5,440,640	17,839,926
Totals 1940	9,330,176	25,243,344
1939	6,417,051	19,589,470

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	6.4	2.2	.5	...
Municipal	18.9	19.8	18.7	19.9
Other	31.0	31.9	34.1	30.1
Total	56.3	53.9	53.3	50.0
Mortgages:				
Urban	24.9	27.5	26.4	27.5
Policy loans	3.3	3.0	3.1	3.6
Stocks:				
Preferred	1.4	1.1	1.2	1.3
Common	4.3	5.1	5.5	4.9
Real estate	7.2	7.8	9.7	10.7
Other	2.6	1.6	0.8	2.0
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	5.1%
Consideration received from annuities, 1940	$ 1,031
Death claims paid, 1940	104,120

Dominion Life

Gains Shown in Insurance in Force — Bond Investments Up

Dominion Life Assurance Co., with head office at Waterloo, ranks among the first 11 Canadian life insurance companies with insurance in force at the end of 1940 of $188.3 millions. This was about $3 millions higher than at the close of the previous year although new insurance written during the year was slightly lower as in the case of many companies, owing to conditions brought about by the war.

The Dominion Life underwrites life risks under a variety of plans. It issues both participating and non-participating policies. It also transacts a small volume of annuities and group insurance. The largest amount of insurance the company will retain on any one life is $25,000.

Within certain limits it will issue policies without medical examinations on the lives of males and unmarried females or widows between the ages of 15 and 45.

The company celebrated its 50th anniversary in 1939. It was organized in 1889 by Thomas Hilliard, who became president, in 1905.

Mr. Hilliard retired in 1928 and was succeeded by Ford S. Kumpf, the present head of the company.

The Dominion Life writes insurance in Jamaica, Alaska and the states of Michigan and Pennsylvania in addition, of course, to Canada and Newfoundland.

Total assets at the end of 1940 were $46.5 millions up almost $3 millions from the previous year.

Of the total invested assets, bonds are the biggest single item constituting 46.3% of the total. This is the largest proportion shown for some years past. Holdings of mortgages, on the other hand, have been declining and at Dec. 31 were less than 35% of the total. Policy loans also have been declining. The rate of interest earned on invested assets was 4.78% compared with 4.67% in 1939.

Officers—
Ford S. Kumpf, pres. and man. dir.; Herbert Schaus, sec.; F. L. Whitaker, treas.; A. J. Huenergard, F.A.S., actuary; E. G. Schafer, F.A.S., assoc. actuary; E. S. Reid, A.C.I.S., asst. sec.; J. J. Murray, supt. of agencies; A. J. McGanity, medical referee.

Directors—
Ford S. Kumpf, pres.; Geo. A. Dobbie, Galt, vice-pres.; A. J. Andrews, K.C., Winnipeg; W. L. Hilliard, M.D., Waterloo; J. H. Gundy, Toronto; H. M. Snyder, Waterloo, C. Gordon Cockshutt, Brantford; W. H. Malkin, Vancouver; G. A. Forbes, Hespeler; Hon. W. D. Euler, M.P., Kitchener; J. E. F. Seagram, Waterloo; Hon. Senator A. C. Hardy, P.C., K.C., Ottawa; J. A. Simard, Montreal.

Field of Operations—
Canada, Newfoundland, Jamaica, Alaska and the States of Michigan and Pennsylvania.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	2,873,054	13,936	*2,957
1917	4,650,064	22,272	*4,974
1922	8,232,250	59,608	*13,805
1927	18,890,284	107,364	*23,967
1932	25,850,520	147,721	16,197
1936	33,758,945	164,020	22,002
1937	36,789,657	172,936	21,257
1938	40,863,057	178,818	17,611
1939	43,875,330	185,202	17,792
1940	46,503,252	188,368	15,877

*Business issued, increased and revived.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	10,775,749	137,823,806
Non-participating	4,985,883	44,476,831
Group	115,500	6,067,791
Totals 1940	15,877,132	188,368,428
1939	17,791,632	185,202,200

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	15.38	12.89	10.13	11.08
Municipal	.08	.09	.10	.23
Other	30.92	31.04	27.75	25.18
Total	46.38	44.02	37.98	36.49
Mortgages:				
Farm	4.01	4.36	4.79	5.58
Urban	30.67	31.45	33.14	33.30
Total	34.68	35.81	37.93	38.88
Policy loans	11.12	11.91	12.98	14.26
Stocks:				
Preferred	1.28	1.48	2.34	4.40
Common	1.77	1.66	1.73	
Real estate	4.03	4.62	4.78	4.80
Other	.74	.50	2.26	1.17
Total	100.00	100.00	100.00	100.00

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.78%
Consideration received from annuities, 1940	$ 787,956
Foreign business:	
Amt. in force, Dec. 31/40	25,881,625
New business effected	3,761,041
Death claims paid:	
1940	1,165,486
1939	738,528

Capital Trust Makes Executive Changes

Following the election of T. D'Arcy McGee, K.C., as president of the Capital Trust Corp. two other appointments are announced. C. H. LaBarge has been elected vice-president, filling the office formerly held by Mr. McGee. Col. A. E. Kirkpatrick, Toronto, has been elected a director of the company.

Mr. LaBarge is president of the Chateau Cheese Co., Ottawa, and Col. Kirkpatrick is Canadian resident vice-president of the United States Fidelity and Guarantee Co.

Confederation Life

Assets Rise to Over $135 Millions — Insurance in Force Up

The Confederation Life Association this year completes 70 years in business. Incorporated in April 1871, it commenced business in October the same year and now ranks among the outstanding Canadian life insurance companies with insurance in force of $419.8 millions. The first policy was issued Nov. 1, 1871 and went to the founder J. K. Macdonald.

Although the bulk of the company's business is in Canada it also operates extensively in Great Britain, the states of New York, Michigan and Hawaii as well as in the West Indies, Central and South America, the Far East and Egypt.

New business effected by the company in 1940 exclusive of annuities, revivals, etc., was slightly lower than in 1939. Conservation of business already on the books, however, combined with generally favorable mortality rate more than offset the decline as indicated by the increase in insurance in force.

At the annual meeting, V. R. Smith, the general manager, stated that the mortality rate was below the level of the average of the past ten years and quite unexpectedly was affected but little by the war.

The company does a substantial annuity business and immediate annuities in force now stand at the highest point on record. It also does a substantial volume of group life insurance and group annuities.

In addition it writes a substantial amount of group accident and sickness insurance.

Total Assets Higher

The total assets of the company at $135 millions were well above the previous year.

Of the invested assets bonds formed nearly 67% at the end of 1940. Of the total bond investment nearly 39% is in issues of the Dominion and Provincial Governments.

Payments to policyholders and beneficiaries in 1940 amounted to $12.2 millions, compared with $13.3 millions in the previous year.

Of the total amount of payments under policy contract $9 millions was paid out to living policy holders annuitants, etc. Investments in bonds constituted 67% of total invested assets. This class of investment has shown an advance in proportion to the total in recent years. Mortgages on the other hand have been showing a smaller percentage as also have policy loans. The total rate of interest earned on invested assets in 1940 was 4.46%.

Officers—
C. S. Macdonald, pres.; R. S. Waldie and Col. J. F. Michie, vice-pres.; V. R. Smith, gen. mgr.; J. H. Birkenshaw, C. D. Devlin, J. K. Macdonald, J. G. Godsoe, asst. gen. managers; J. L. McLachlin, sec.; B. T. Holmes, actuary.

Directors—
Representing shareholders: C. S. Macdonald, John Firstbrook, J. E. Ganong, F. Grenville Rolph, W. C. Laidlaw, R. V. Le Sueur, V. R. Smith, all of Toronto; P. A. Thomson, Montreal.
Representing policyholders: R. S. Waldie, Col. J. F. Michie, A. C. Matthews, A. F. White, all of Toronto.

Field of Operations—
Canada, Newfoundland, New York State, Michigan, Hawaii and Puerto Rico; Mexico, Bermuda, Cuba, Curacao, Jamaica, Trinidad, Dominican Republic, British Honduras, Guatemala, El Salvador, Canal Zone, Colombia, Great Britain, Hong Kong, China, Malaya, Egypt.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	300,000

Dividends Paid on Capital Stock—$6.00 per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins.* Paid for ($ 000)
1912	17,265,975	63,764	12,248
1917	22,329,534	82,274	15,038
1922	33,535,923	154,813	26,688
1927	57,435,782	258,466	50,872
1932	92,232,305	374,071	43,465
1936	112,945,505	393,499	47,506
1937	120,673,529	411,141	45,369
1938	125,835,403	‡397,845	‡39,425
1939	†129,758,103	‡406,656	‡37,799
1940	†135,044,751	‡419,848	‡37,217

†As reported to Ins. Dept. excluding accident and sickness branch.
‡Excluding annuities, i.e. on government statement basis.

Classes of Business Written

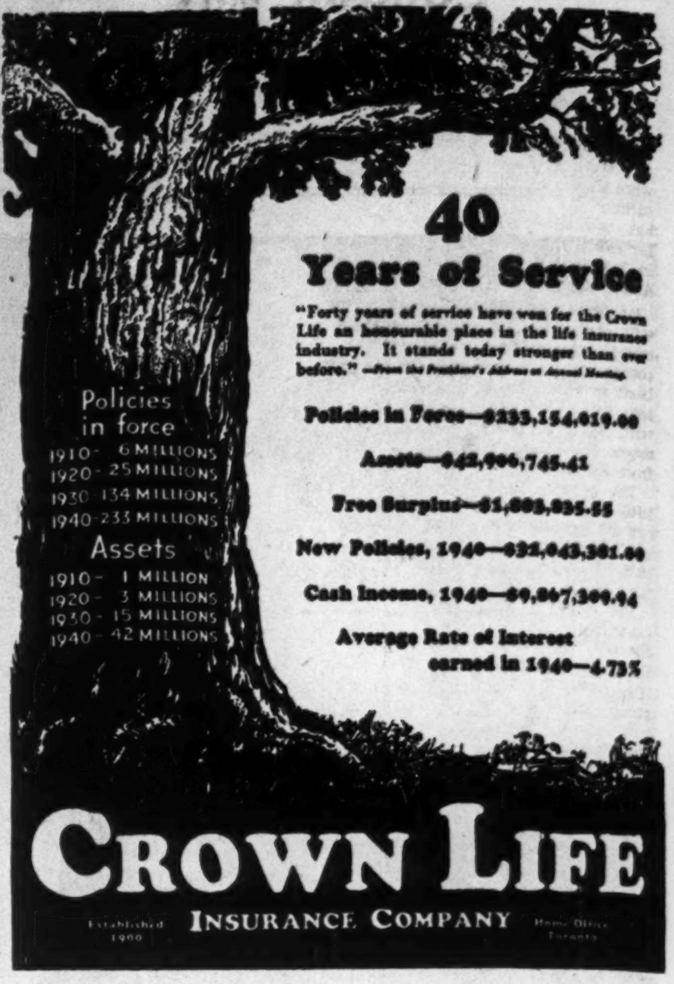
	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	22,612,303	268,060,777
(b) Non-partic.	12,305,396	112,567,909
Group	2,259,017	39,220,168
Totals 1940	37,217,303	419,848,854
1939	37,799,087	406,656,125

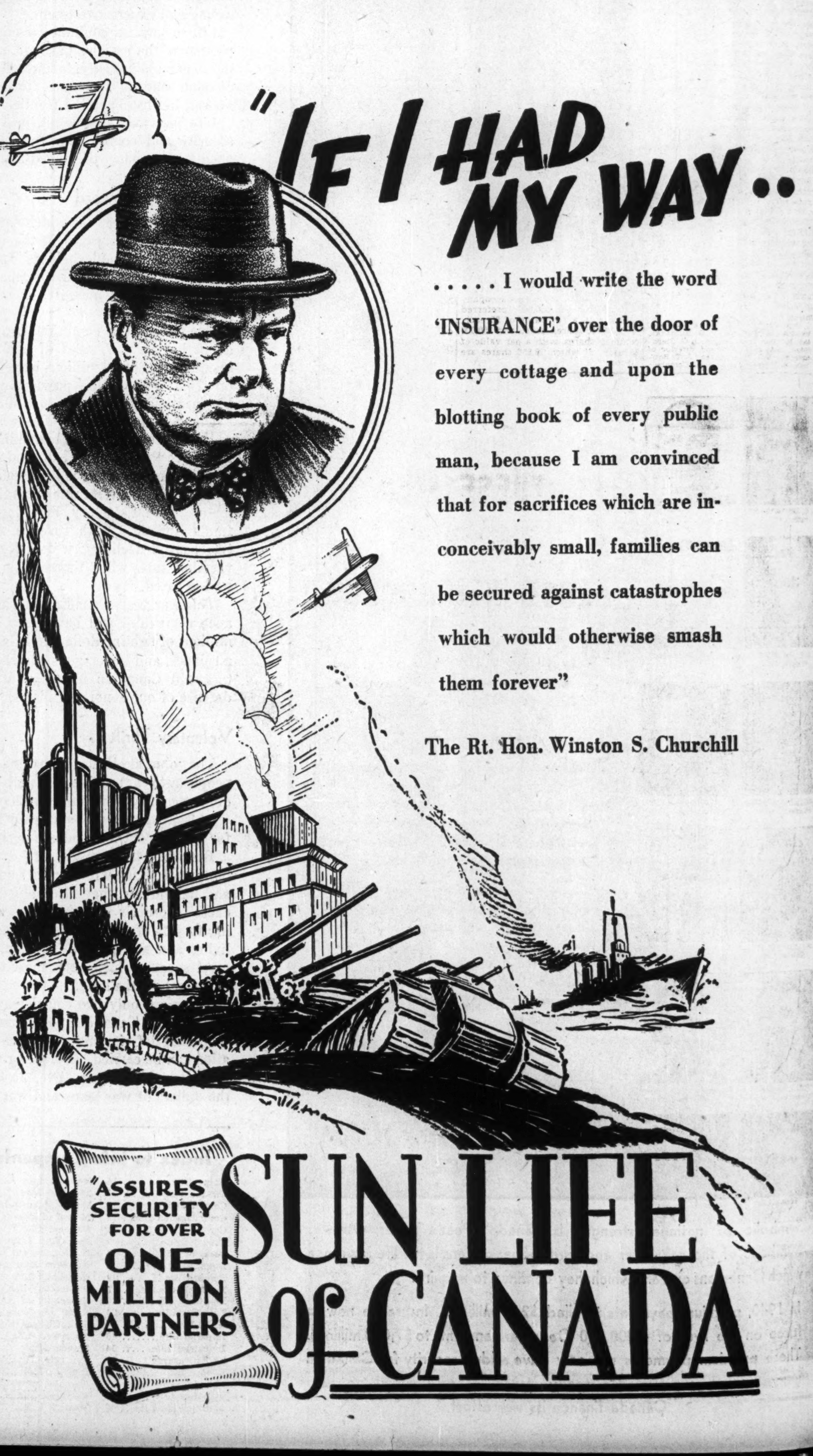
*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	38.9	37.1	36.3	36.8
Municipal	18.2	19.1	18.9	18.3
Other	9.7	10.3	11.3	10.4
Total	66.8	66.5	66.5	65.5
Mortgages:				
Farm	.9	1.1	1.2	1.2
Urban	11.2	11.7	11.6	11.5
Total	12.1	12.8	12.8	12.7
Policy loans	9.6	9.9	10.9	12.1
Stocks	5.8	5.8	4.9	4.6
Real estate	3.7	3.3	3.5	3.8
Other	2.0	1.7	1.4	1.3
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion department of insurance)	4.46%
Consideration received from annuities, 1940	$2,264,958
Foreign business:	
(a) Amt. in force, Dec. 31/40	160,694,971
(b) New business effected	15,107,820
Death claims paid:	
1940	3,349,230
1939	2,955,154





London Life

Maintains Unbroken Record of Annual Increase in Business in Force

Large gains in new insurance, insurance in force and total assets were shown by the London Life Insurance Co. in 1940. The company has maintained an unbroken record for establishing an annual increase in business in force for 49 years. Assets also have climbed steadily.

At the end of 1940 business in force with the company less reinsurance ceded amounted to $698 millions compared with $643 on the same basis in 1939. New insurance written was $100 millions compared with $87.9 millions in 1939, while assets increased to $143.8 millions from $134.9 millions.

The gain in insurance in force in 1940 was $54.7 millions, the best record of growth in the past 10 years, and $19 millions greater than that in 1939. If insurance ceded is included the business in force is $709 millions.

The London Life was originally organized in 1874 with an Ontario charter, this being extended to a Dominion charter about 10 years later. The company writes ordinary, group and industrial participating and non-participating insurance, also group accident and sickness. It does business in Canada only. It was a pioneer in group insurance in Canada, having written this class of insurance here since 1919. While not licensed outside Canada, it receives a certain amount of business from an American company as reinsurance.

The investment portfolio shows 52.5% of the total invested assets to be in bonds, Government bonds alone accounting for 42.6% of the total. Mortgages are the next largest item, amounting to 32.2% of the total, mortgages on urban properties being by far the largest proportion at 31.8% of the whole. Bond investments have been increasing in recent years while mortgage investments have been declining. Policy loans have also been forming a smaller proportion of the total assets in each of the recent years. The rate of interest earned on invested assets in 1940 was 4.59% compared with 4.69% in the year previous.

New money invested during the year was placed: 71% in bonds and debentures, 19% in mortgages, 9% in policy loans and 1% in common stocks. The company owns over $11.5 millions of the Dominion of Canada first and second war loan bonds. Surplus during the year was increased by $974,250 and now stands at $11.2 millions.

During the year the company paid $11.6 millions to living policyholders and annuitants, etc. Death claims paid amounted to $2.9 millions.

It was announced that dividends to policyholders in 1941 would be continued at the existing scale, the funds to pay them having been set up in 1940.

Officers—
J. Edgar Jeffrey, pres.; Edward E. Reid, vice-pres. & man. dir.; J. D. Buchanan, asst. gen. mgr. and actuary; J. G. Stephenson, asst. gen. mgr. and director of agencies; O. D. Newton, sec.; J. T. Bowman, M.D., med. dir.; J. A. Campbell, assoc. actuary; J. H. C. Graham, publicity executive.

Directors—
Representing shareholders—J. E. Jeffrey, C. L. Jeffrey, Archibald McPherson, R. H. Reid, E. E. Reid, J. E. Smallman, all of London, Ont.
Representing policyholders — T. W. Baker, Toronto; C. H. Ivey, London, Ont.; Lebert H. Jones, London, Ont.

Field of Operations—
Canada.

Capital—Authorized	$1,000,000
Subscribed	500,000
Paid-up	400,000

Dividends Paid on Capital Stock—Rate in 1941 is 20% per annum payable quarterly.

Growth of Business

Year	Assets $	Business *in Force ($ 000)	New Ins. Paid for* ($ 000)
1912	4,059,376	23,265	7,786
1917	8,050,269	50,787	14,539
1922	19,234,188	129,682	33,228
1927	44,068,930	295,906	80,670
1932	77,558,313	471,955	95,684
1936	109,101,346	541,417	85,954
1937	117,445,684	574,248	88,554
1938	126,476,113	607,621	90,787
1939	134,970,839	643,316	87,236
1940	143,814,578	698,098	100,023

*After deducting reinsurance.

Classes of Business Written

	Effected* 1940 $	Business* in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	45,635,283	320,052,571
(b) Non-partic.	8,831,461	128,309,108
Group:		
(a) Participating	3,379,867	50,139,113
(b) Non-partic.	4,147	273,264
Industrial:		
(a) Participating	33,740,007	202,857,284
(b) Non-partic.	9,305,928	7,846,314
Totals 1940	100,896,693	709,477,654
1939	87,979,633	654,349,928

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	42.6	37.9	35.8	33.3
Municipal	5.3	5.4	5.9	7.2
Other	4.6	4.3	2.7	2.6
Total	52.5	47.6	44.4	43.1
Mortgages:				
Farm	.4	.6	.6	.6
Urban	31.8	33.9	36.1	37.6
Total	32.2	34.5	36.7	38.2
Policy loans	11.0	11.9	12.8	13.3
Stocks:				
Common	1.4	1.4	1.4	1.2
Real estate	2.4	2.8	3.2	3.3
Other	.5	1.8	1.5	.9
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.59%
Consideration received from annuities, 1940	$ 513,195
Foreign business:	
Net amt. in force, Dec. 31/40	4,312,669
New business effected	139,057
Death claims paid: 1940	2,952,763
1939	2,546,752

Second C. I. I. Trust Reduces Capital

From Our Own Correspondent

MONTREAL.—Second Canadian International Investment Trust has taken up supplementary letters patent reducing the actual capital stock from $3 millions to $2.5 millions.

The capital stock of the company now comprises 350,000 preferred shares with a par value of $5 each, with 37,146 shares issued and 150,000 common shares, with a par value of $5 each, of which 18,856 shares are issued.

Saskatchewan Life

Total Assets Over $1.9 Million

New insurance effected by the Saskatchewan Life Insurance Co. in 1940, as in the case of many other companies in Canada, was slightly lower than in the previous year, owing to the unusual conditions prevailing. Insurance in force likewise was slightly lower at $8.1 millions. Total assets, however, were higher at $1.9 million.

During the year the company paid $89,702 to living policyholders and annuitants.

During the year President C. M. Willoughby stated in his report the company increased its holdings of Dominion of Canada bonds by $196,300 and now has a total investment in Dominion of Canada Government bonds of over $250,000.

The Saskatchewan Life began business in 1914. Its head office is at Regina. It does business in all four western provinces.

Officers—
C. M. Willoughby, pres., David Low, M.D., 1st vice-pres.; G. H. Barr, K.C., 2nd vice-pres.; M. B. Farr, gen. mgr.; W. F. Curell, sec.

Directors—
Representing shareholders: David Low, M.D., G. H. Barr, K.C., W. H. Duncan, M. B. Farr, A. E. Whitmore, C. M. Willoughby, T. A. Wilson, C. H. Weicker, D.D.S., all of Regina.
Representing policyholders: I. H. Bowman, Regina; W. M. Houston, Regina; J. B. Francis, Sedley, Sask., R. A. Wright, Pitman.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	100,000

Dividends Paid—None for 1939 or 1940.
Head Office—Regina.

Growth of Business

Year	Assets $	Business in Force ($ 000	New Ins. Paid for ($ 000)
1931	2,197,000	10,380	851
1932	2,200,318	10,118	1,023
1933	2,203,954	9,111	907
1934	2,064,910	8,184	1,087
1936	1,927,028	8,709	1,361
1937	1,906,090	8,693	1,202
1938	1,895,953	8,988	1,139
1939	1,888,096	8,218	851
1940	1,953,494	8,108	678

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	651,982	7,244,151
Non-participating	26,675	778,417
Group	......	86,000
Totals 1940	678,657	8,108,568
1939	851,593	8,218,864

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Investment Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	16.82	6.5	4.9	4.8
Municipal	10.00	11.1	12.6	12.8
Other	2.10	2.2	2.1	2.2
Total	28.92	19.8	19.6	19.8
Mortgages:				
Farm	20.44	22.1	23.5	23.4
Urban	12.86	16.4	17.2	18.5
Total	33.30	38.5	40.7	41.9
Policy loans	19.84	20.3	23.9	24.7
Real estate	14.90	14.0	12.8	11.6
Other	3.04	7.4	3.0	2.0
Total	100.00	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	3.27%
Consideration received from annuities, 1940	$ 7,896
Death claims paid:	
1940	18,554
1939	19,464

Sauvegarde

New Business and Business in Force Up

La Sauvegarde Insurance Co., with head office at Montreal, in 1940 showed substantial gains in both new insurance effected and business in force.

Business in force at Dec. 31 amounted to $48.5 millions. Total assets were over $7 millions, an increase of more than $500,000.

La Sauvegarde Insurance Co. was organized and began writing business in 1903, under Quebec charter. It was reincorporated with Dominion charter in 1911.

Of the total invested assets 45% are in bonds, municipal bonds being the biggest single item in the group. Bond investments have been increasing in recent years. Mortgages increased slightly in 1940, while policy loans were lower.

The interest earned on invested assets in 1940 was 4.60%, slightly lower than the 4.80% earned in 1939.

New money in 1940 has been placed in Government securities and mortgages. During the year the company paid living policyholders, annuitants, etc., $566,261.

Officers—
Narcisse Ducharme, pres. & mgr.; L. M. Lymburner, 1st vice-pres.; Alphonse Milette, 2nd vice-pres.; Jean Pasquin, sec.; Pierre Camu, actuary; E. P. Benoit, medical director.

Directors—
Representing shareholders: Narcisse Ducharme, L. M. Lymburner, C. A. Roy, all of Montreal; Alphonse Milette, Montreal; Paul Drouin, K.C., Quebec; Hon. Gustave Lacasse, M.D., Tecumseh, Ont. Representing policyholders: R. R. Bachand, N.P., Waterloo, Que.; Adjutor Cote, N.P., Montreal; Arthur Vallee, K.C., Outremont.

Capital—Authorized	$2,000,000
Subscribed	1,192,000
Paid-up	232,440

Growth of Business

Year	Assets $	Business in Force ($ 000	New Ins. Paid for ($ 000)
1935	4,980,518	28,297	6,338
1936	5,196,684	34,395	9,914
1937	5,404,158	39,685	9,789
1938	5,944,745	42,484	7,709
1939	6,457,452	44,611	6,556
1940	7,022,140	48,542	7,563

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	5,384,764	32,908,859
Non-participating	2,178,107	15,633,073
Totals 1940	7,562,871	48,541,932
1939	6,555,535	44,610,705

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	8.8	5.9	5.8	5.9
Municipal	20.2	20.9	19.7	17.8
Other	16.0	17.6	18.0	17.7
Total	45.0	44.4	43.5	41.4
Mortgages	21.3	20.6	20.3	21.3
Policy loans	12.2	12.7	13.3	14.6
Stocks	5.7	5.8	6.1	6.7
Real estate	10.4	9.0	9.8	10.8
Other	5.4	7.5	7.0	5.2
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.60%
Consideration received from annuities, 1940	$ 4,126
Foreign business:	
Amount in force, Dec. 31/40	15,500
Death claims paid:	
1940	196,651
1939	166,093

Crown Life

Insurance in Force Over $233 Millions — Total Assets $42.9 Millions

Increases in business in force and total assets in 1940 are reported by the Crown Life Insurance Co., insurance in force on Dec. 31 being $233.1 millions and total assets $42.9 millions. The company which has shown consistent growth began business in 1901 with head office at Toronto. It has extended its operations widely. In additon to Canada and Newfoundland it writes business in Great Britain; the states of Michigan, Ohio and Washington and the territory of Hawaii, U.S.A.; Puerto Rico; the Philippines; West Indies; India; Straits Settlements, and China. To the Crown Life goes the credit for introducing the family income benefit policy to Canada.

Like various companies in Canada in 1940 it wrote a slightly smaller volume of new business than in the previous year. This is attributed generally to the unusual conditions brought about by the war.

The analysis of the company's invested assets shows government bonds to be the largest single item in the investment portfolio. Total bond holdings form 52.6% of the total, the largest percentage for some years. Mortgage holdings have been declining in recent years while total common and preferred stocks are about the same proportion as formerly. The rate of interest earned in 1940 was 4.73% compared with 4.86% in 1939. Death claims during the year mounted to $1.1 million, while $1.9 million was paid to living policyholders and annuitants.

Officers—
Hon. G. Howard Ferguson, pres.; C. W. Somers, 1st vice-pres.; H. D. Burns, 2nd vice-pres.; H. R. Stephenson, gen. mgr.; R. T. Couch, treas.; F. W. Hill, actuary; P. McDonald, sec.; W. D. Stewart, asst. treas.; E. J. S. Brown, supt. of agencies; H. D. Delamere, medical officer; J. D. Jamieson, mtge. dept. mgr.; A. F. Williams, agency supervisor.

Directors—
Hon. G. Howard Ferguson, C. W. Somers, H. D. Burns, H. R. Stephenson, all of Toronto; G. A. Morson, Havana; G. O. Somers, Pasadena; Norman F. Wilson, Ottawa. Representing policyholders: F. Erichsen-Brown, G. E. Spragge, W. F. Watkins, all of Toronto; Hon. E. L. Patenaude, Montreal; W. M. Crawford, Vancouver.

Field of Operations—
Canada (all provinces); Great Britain, Newfoundland; the states of Michigan, Ohio and Washington, and the territory of Hawaii, U.S.A., Puerto Rico, Philippine Islands; West Indies; India; Straits Settlements and China.

Capital—Authorized	$1,000,000
Subscribed	552,500
Paid in	278,440

Dividends Paid—Per annum, 12% cash.

Growth of Business Including Annuities

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	1,233,901	10,016	3,292
1917	2,248,896	15,374	3,646
1922	4,789,563	34,460	7,551
1927	10,383,194	87,877	22,547
1932	17,892,631	137,181	19,615
1937	30,771,878	188,300	32,186
1938	34,433,027	203,340	32,455
1939	38,588,099	219,884	34,757
1940	42,906,745	233,154	32,043

Classes of Business Written

	Effected 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	18,229,975	138,212,957
Non-participating	13,503,807	93,530,901
Total	31,733,782	231,743,858
Group	309,599	1,410,161
Totals 1940	32,043,381	233,154,019
1939	34,757,262	219,883,976

Excluding all annuities business in force for 1940 is $220,400,000; business effected $29,910,000.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	32.3	32.0	32.2	30.8
Municipal	5.7	5.4	5.0	5.0
Other	14.6	13.7	10.8	10.0
Total	52.6	51.1	48.0	45.8
Mortgages:				
Urban	27.8	29.0	32.0	33.8
Policy loans	12.1	12.0	12.4	12.6
Stocks:				
Preferred	1.8	2.0	2.0	5.3
Common	3.7	3.5	3.3	
Real estate	2.0	2.4	2.3	2.5
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.73%
Consideration received from annuities, 1940	$ 753,920
Foreign business:	
Amt. in force, Dec. 31/40	86,784,167
New business effected	12,227,162
Death claims paid: 1940	1,125,454
1939	1,019,160

New York Life

$130 Millions of Business in Force in Canada

The New York Life Insurance Co. this year completes its first 100 years of existence, having been incorporated in New York State in 1841. It did not start business, however, until 1845. At first it was known as the Nautilus Insurance Co. but this was changed to the present style in 1849. In the meantime, in 1843, it had been mutualized.

Nineteen years later, in 1868, it commenced writing business in Canada, the chief office for the Dominion being at Montreal.

At the end of 1940 it had insurance in force in Canada of over $130 millions, this amount being down slightly from the previous year. New insurance issued during the year also was slightly lower.

A large proportion of the company's investments in Canada are in Government bonds.

The company as a whole at the end of 1940 had total business in force of $6.8 billions, the new insurance paid for amounting to $428 millions.

NEW YORK LIFE INSURANCE CO.
Head Office—51 Madison Ave., New York, N.Y.
Chief Agency in Canada—Montreal Trust Bldg., Montreal.
Chief Agent in Canada — P. V. Raven, Montreal.

Business in Canada

Year	Business in Force $	New Ins. ‡ $
1933	170,620,070	6,101,706
1934	160,517,843	6,163,261
1935	152,520,657	4,849,243
1936	146,644,425	4,613,858
1937	143,243,177	4,688,618
1938	138,958,956	4,074,729
1939	134,855,249	4,293,641
1940	130,612,276	3,608,285

‡Paid for, including paid-up additions.

Growth of Business in Canada

Year	Business in Force $	New Ins. Paid for* $
1936	146,644,425	4,613,858
1937	143,234,177	4,688,618
1938	138,958,956	4,074,729
1939	134,855,249	4,293,641
1940	130,612,276	3,608,285

*Including paid-up additions.

Entire Operations

Total bus. in force, Dec. 31/40 $6,895,182,749
Total new ins. paid for incl. paid-up additions 428,643,638

	1940	1939	1938	1937
Interest earned↓ (%)	3.75	3.85	3.89	4.09

↓On mean net ledger assets as reported to Dominion department of insurance.

Western Life

Western Life Assurance Co. of Hamilton at the end of 1940 had life insurance in force amounting to over $7 millions, a gain of about $400,000 from the previous year. New business written during the year was $2 millions, down a little over $200,000 from 1939.

The Western Life was incorporated in 1910 with a Manitoba charter. Four years later it was incorporated under Dominion charter and Dominion license was taken out in 1918.

In 1938 control was sold to a Hamilton group headed by H. H. Gray, and the company's office transferred to Hamilton from Winnipeg.

Officers—
H. H. Gray, pres. and man. dir.; Dr. G. E. Greenway, chm. of the board; A. R. Goudie, 1st vice-pres.; Dr. O. A. Cannon, 2nd vice-pres.; O. S. McCombie, sec.

Directors—
H. H. Gray, G. E. Greenway, A. R. Goudie, O. A. Cannon, Dr. C. N. M. Black, R. M. Willes Chitty, K.C., N. F. Firth, J. C. Haig, Hon. J. T. Haig, K.C., F. Harding, C. W. Howe, Dr. C. W. Prowd.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1938	1,265,690	5,772	1,875
1939	1,263,816	6,645	2,247
1940	....	7,056	2,016

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	1,399,759	4,302,723
Non-participating	616,454	2,753,054
Totals 1940	2,016,213	7,055,777
1939	2,247,355	6,645,706

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	11.6	10.2	10.2	...
Municipal	10.7	10.1	9.9	...
Other	1.3	1.1	1.3	...
Total	23.6	21.5	21.5	...
Mortgages:				
Farm	...	0.6	0.5	...
Urban	37.9	40.2	37.1	...
Total	37.9	40.8	37.6	...
Policy loans	11.5	12.7	16.7	...
Stocks:				
Common	0.7	0.9	1.1	...
Real estate	17.9	18.2	14.6	...
Other	8.1	7.7	8.2	...
Total	38.3	37.6	40.7	...

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.45%
Death claims paid: 1940	$16,609
1939	26,518

A. G. KIRKPATRICK, Halifax, N.S. — D. B. CARLYLE, Winnipeg, Man. — F. E. HATTON, Windsor, Ont. — R. S. ADAM, C.L.U., London, Ont. — HAROLD L. WEBSTER, Montreal, Uptown — L. S. STEVENSON, Charlottetown, P.E.I. — J. A. COLLINS, C.L.U., Ottawa, Ont. — J. DARLEY LeMOYNE, Montreal, P.Q. — P. D. CAMPBELL, Hamilton, Ont. — NORMAN W. SMITH, Guelph, Ont. — M. W. SPARLING, C.L.U., Toronto-Bloor — C. B. MOONEY, Victoria, B.C. — H. LAPTHORN, Charlottetown, P.E.I. — R. E. STAPLES, Edmonton, Alta.

THESE MEN ARE YOUR GOOD NEIGHBOURS

NORTH AMERICAN LIFE pays tribute to the Managers of its 30 Branch and District Offices in Canada who played such an important part in the Company's progress last year.

These men are your good neighbours. Through their efforts men and women of character are selected as Representatives of the Company and trained to render intelligent life insurance service to the insuring public.

Today the willingness of our citizens to save is a most vital part of our war effort. As loyal managers for this Company and as efficient volunteer organizers in the War Savings campaign, these men are helping in a task which is of supreme national importance.

1881 — A MUTUAL COMPANY — 1941

NORTH AMERICAN LIFE

HEAD OFFICE: TORONTO, ONTARIO

C. McN. STEEVES, C.L.U., New Brunswick — FELIX HARRISON, Northern Ontario — M. R. MacKENZIE, C.L.U., Brandon, Man.

W. H. ARMITAGE, C.L.U., Kirkland Lake — C. J. KELLER, C.L.U., Vancouver, B.C. — A. H. WESTHAVER, Saskatchewan — R. E. CRERAR, C.L.U., Nelson, B.C. — MURDOCH FERGUSON, C.L.U., Toronto-Bay — D. V. KETCHESON, Peterboro, Ontario — L. H. HYATT, Chatham, Ont. — A. TURCOT, Quebec, P.Q. — C. ROSS HEALY, Sherbrooke, P.Q. — JAS. S. THOMSON, Toronto, Ont. — WALTER W. MURRAY, C.L.U., Montreal Uptown — J. E. McILROY, C.L.U., Calgary, Alta. — W. G. CASE, Owen Sound, Ont. — C. E. DOWLING, Port Arthur, Ont.

Buy War Savings Certificates and War Savings Stamps

Specializing since 1866 in the engraving and printing of monetary documents for government and industry.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

The Old Canadian Company

HOWARD W. PILLOW, *President*

CHARLES G. COWAN, *Vice-Pres. & Man. Dir.* — G. HAROLD BURLAND, *Sec.-Treas.*

HEAD OFFICE: OTTAWA
262 Wellington Street

511 Place d'Armes, MONTREAL — **1110 Montreal Trust Bldg., TORONTO**

EVERY FIVE YEARS . . .

ROYAL INSURANCE COMPANY LIMITED

Five years, under present conditions, is a long time; it does however, give time for experience and judgment to prevail.

Every five years since 1845 we have paid a Dividend. For example, since 1910 we have paid:

1910	4,038,550
1915	4,691,822
1920	4,722,239
1925	5,694,044
1930	9,027,077
1935	10,962,084
1940	10,056,120

ROYAL INSURANCE COMPANY LIMITED

Writing Life Insurance since 1845

REPRESENTATIVES THROUGHOUT CANADA

WHERE LOVE OF COUNTRY BEGINS

LOYALTY, truth, honour, patriotism — the lessons that make us good citizens, as well as decent individuals, are first learned *at home!*

In a world already half dominated by barbarism, the integrity of the Canadian home is doubly precious. The preservation of family life is no longer a matter of self-interest only, but a patriotic duty, because the homes of Canada today are trustees of civilization tomorrow.

Through these troubled times, Life Insurance remains the one sure safeguard of family security and independence. The man whose life is ADEQUATELY insured knows that his family need never be scattered or driven by poverty to accept an inferior way of life. By taking care of material needs, Life Insurance safeguards also the precious ties of affection and the ideals and traditions which make the family a great national force.

By investing in Life Insurance you perform a *double* service—to your family *and* to your country. The money subscribed by Canadian citizens for their families' protection is also a *direct* contribution to Canada's war effort . . . for the Life Insurance companies have already invested many millions of dollars in National War Loans.

Policyholders of The Mutual Life of Canada have reason to be proud of the part they are playing in the defence of democracy against organized gangsterism. It is an expression of the spirit of free men and free women, linked together in a common effort for the protection of their heritage . . . their country . . . and their homes.

WHAT IS AN ADEQUATE "CONTINUED INCOME" FOR YOUR FAMILY?

In planning insurance protection, the question is not, "What do I *think* I can afford?" but "What is the *least* my family could live on?"

Figure out *now* what it costs per month to provide your family with just these basic needs:

- RENT OR TAXES . . . . ______
- FOOD . . . . ______
- CLOTHING . . . . . . ______
- HEAT AND LIGHT . . . ______
- EDUCATION . . . . . . ______
- MEDICAL CARE . . . . ______
- MISCELLANEOUS . . . . ______
- TOTAL . . . . . . ______

Now, estimate what monthly income your present savings might be expected to provide. Will they cover even these fundamental necessities?

If not, see a Mutual Life representative now. Ask him to work out a "Continued Income" Plan that *will* guarantee your family an *adequate* income. Or, write direct to The Mutual Life of Canada, Waterloo, Ontario, enclosing the figures you have filled in above, *and your age*—along with your name and address. Do it today!

FP1.

Canadian Life Insurance Companies have already subscribed over $80,000,000 to Canadian War Loans. Of this amount, over $8,000,000 has been invested by The Mutual Life of Canada.

THE MUTUAL LIFE OF CANADA

Established 1869

HEAD OFFICE • WATERLOO, ONT.

ALL PROFITS FOR POLICYHOLDERS

Great-West Life

Business in Force and Total Assets Show Increase

An increase of nearly $12 millions in 1940 brought business in force with the Great-West Life Assurance Co. at Dec. 31 to $606.4 millions exclusive of annuities. This result was achieved in spite of a moderate decline in new business effected during the year, an experience fairly common among the companies due to the difficult underwriting conditions brought about by the war. New business written was $40.1 millions compared with $48 milllions in 1939.

The Great-West does a large volume of ordinary and group annuity business. If this is included, total business in force on Dec. 31 amounted to $640.2 millions compared with $625.5 millions on the same basis at Dec. 31, 1939, and new business effected to $53.4 millions compared with $61.6 millions.

The greater part of the company's business is done in Canada but it also writes a considerable volume in six states of the United States. In 1940 about 32% of the new ordinary business was written in the American branches, total business in force there being more than one fifth of the total.

Having been established in 1891 and commencing business in 1892, the Great-West accordingly is in its 50th year. In 1940, G. W. Allan, president, died and was succeeded by M. F. Christie.

Total assets in 1941 increased over $6 millions to a new high level for the company at $173.5 millions. Over half of the total invested assets are in bonds. Almost 32% of total are in government issues.

The proportion of bonds in the investment portfolio of the company has been steadily increasing since 1934.

Mortgage investments, on the other hand, have declined, from about 36% of the total seven years ago to under 22% at the end of 1940. Policy loans account for 13.67% of total investments, the lowest figure reached in many years.

At the annual meeting of the company, the general managers stated that over 73% of all the company's policies were free of loans.

New investments made during 1940 were principally in high-grade government and corporate bonds. There were also, however, some purchases made of stocks and some investments in mortgage loans.

Income of the company from all sources in 1940 amounted to over $26.5 millions, about $200,000 higher than in 1939. Premiums at $16.8 millions were down slightly but investment income was higher.

Payments to policyholders at $17.2 millions were slightly higher than in 1939. Payments to living policyholders were $12.3 millions, or practically 72% of total. In the 49 years that the company has been in operation more than $237 millions has been paid out in policy benefits, it was stated at the annual meeting. In addition to this $170 millions of assets are earmarked to provide for future payments to policyholders in the form either of insurance benefits or annuities.

The rate of interest earned on assets in 1940 was 4.17% compared with 4.04% in 1939.

Officers—
M. F. Christie, pres.; R. T. Riley and W. P. Riley, vice-pres.; H. W. Manning, gen. mgr.; F. D. MacCharles, gen. mgr. and actuary; A. J. D. Morgan, asst. gen. mgr.; H. A. H. Baker, asst. gen mgr. and supt. of agencies; Eustace A. Brock, sec.; W. L. Mann, M.D., chief medical referee.

Directors—
Representing shareholders: G. H. Aikins, R. T. Riley, H. E. Sellers, S. L. Cork, W. H. McWilliams, H. F. Osler, G. McLean, all of Winnipeg; Hon. T. A. Crerar, Ottawa, Ont.
Representing policyholders: F. E. Halls, N. J. Breen, M. F. Christie, W. P. Riley, all of Winnipeg.

Field of Operations—
Canada, North Dakota, Minnesota, Michigan, Illinois, Washington and Indiana, U.S.A.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	1,000,000

Dividends Paid—15% per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	†New Ins. Paid for ($ 000)
1912	12,251,932	83,979	20,268
1917	24,385,666	152,643	29,164
1922	49,198,255	318,607	46,467
1927	94,909,289	502,545	66,418
1932	135,738,365	580,537	39,184
1936	150,005,674	556,211	41,624
1937	156,805,466	567,150	44,999
1938	162,554,770	580,301	46,579
1939	167,456,203	594,585	48,083
1940	173,512,329	606,493	40,105

†Paid for excluding annuities, revivals, etc.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business:		
(a) Participating	24,281,191	421,359,202
(b) Non-partic.	12,282,768	135,099,686
Group	3,541,466	50,033,833
Totals 1940	40,105,425	606,492,721
1939	48,083,067	594,584,609

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	31.84	30.31	28.98	27.53
Municipal	8.35	8.39	9.47	9.84
Other	17.14	15.76	14.52	12.03
Total	57.33	54.46	52.97	49.40
Mortgages and Sale Agreements:				
Farm	10.31	10.79	11.72	12.60
Urban	11.53	12.41	13.54	14.78
Total	21.84	23.20	25.26	27.38
Policy loans	13.67	14.65	15.67	16.60
Stocks:				
(a) Preferred	0.51	0.39	0.34	0.48
(b) Common	1.42	1.23	1.21	0.68
Real estate (incl. H.O.)	3.10	3.37	3.60	3.47
Other	2.13	2.70	0.95	1.99
Total	100.00	100.00	100.00	100.00

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion department of insurance)	4.17%
Consideration received from annuities, 1940:	
Ordinary	$ 1,059,641
Group	136,921
Foreign business‡:	
(a) Amt. in force Dec. 31/40	143,458,774
(b) New business effected	17,083,358
Death claims paid:	
1940, Ordinary	4,423,223
Group	412,066
1939, Ordinary	3,750,931
Group	391,796

‡Annuity business included in (a) $9,459,895; in (b) $1,672,072.

Established 1887

Don't Let Me Down, Daddy!

He has sublime faith in "Daddy's" power to guard him from mischance. No man would willingly betray such trust. Even so, every father is subject to the contingency of a shortened life. Failure to provide against it may let his loved ones down into a sea of want.

The way to avoid this disaster is to own enough Life Insurance to guarantee a monthly income to his family. Then his protective power will live on even if he is taken away.

If you are not absolutely sure that your family would have enough money to live on month by month, fill in and mail the coupon below. It will bring advice as to how best to arrange such an income within the means at your disposal.

THE MANUFACTURERS LIFE INSURANCE COMPANY
HEAD OFFICE TORONTO, CANADA

(Mail this coupon to local address given above)

I want to know how best to provide a monthly income for my dependents within the means at my disposal. It is understood that your advice does not place me under any obligation.

Age........ Name........................

Address........................

"War-time gives new value to my Life Insurance"

"LIKE most Canadians these days, I find that the new 'Win-the-War' obligations will take a big slice of my income—in fact my top dollars.

"This would be serious for me except that financial security is guaranteed to my family through my life insurance. So, even if I am unable to save anything else during the war, I don't need to worry about the future.

"Under to-day's conditions, life insurance assumes in my affairs a new and vital importance."

* * *

In your financial readjustment to meet the new conditions, take advantage of the helpful suggestions that can be given you by a London Life representative.

London Life
ESTABLISHED 1874
Insurance Company
Head Office - London, Canada

Insurance in Force Up

The net amount of life insurance effected in Canada in 1940 was $590.2 millions according to the preliminary figures issued by the Dominion Department of Insurance. This was a gain of 0.3%.

Total net business in force in Canada on Dec. 31, 1940, at $6.9 billions was 2.9% over the total on the same date in 1939.

Figures for 1940 and 1939 follow, amounts in each case being net.

	1940 $	1939 $
Insurance effected	590,205,536	588,587,140
Ordinary	443,789,966	469,305,574
Industrial	119,010,520	90,699,795
Group	27,405,050	28,581,771
Insurance in force	6,975,318,346	6,776,558,399
Ordinary	5,318,088,175	5,192,409,361
Industrial	928,464,860	897,161,913
Group	728,765,311	686,987,125
With Canadian cos.	4,609,213,977	4,469,775,787
With Brit. & U. S. cos.	2,366,104,369	2,306,782,612
Premiums	200,202,296	198,042,144
Annuity consideration	13,931,622	13,769,792
Fraternal busi. in force	177,565,039	177,476,309
Canadian societies	108,810,930	109,063,645
Foreign societies	68,754,109	68,754,109

Imperial Life

Business in Force Higher at $282.9 Millions in 1940

Imperial Life Assurance Co. of Canada had $282.9 millions of business in force at the end of 1940, a gain of $2.9 millions over the previous year. Assets were also up about $4.4 millions. New insurance effected during the year exclusive of increases, revival and annuities was $18 millions, slightly lower than in the previous year.

In 1940 the company paid out to living policyholders and annuitants $5,362,045.

The Imperial Life, with head office in Toronto, has been doing business under a Dominion license since 1897. It ranks among the first eight companies in the Dominion. It operates outside Canada in parts of the West Indies, Bermuda, Central America, Newfoundland the states of California and New York and in all provinces of Canada.

The investment portfolio shows bonds to be 65% of total invested assets, government bonds being the biggest single item. Bond holdings have been increasing in recent years. Mortgages on the other hand, have been declining as also have policy loans. Preferred stocks are lower but holdings of common stocks were up slightly.

During 1940 new money was invested mainly in government bonds, and high-grade public utility and industrial bonds, preferred and common stocks and first mortgages on urban real estate.

The company made a survey of those buying insurance in 1940 which showed office workers to be the largest single class of buyers of insurance at almost 22% of the total with merchants and business proprietors coming next at 11.2%. Professional men came next with 10.7%.

Individuals between 20 and 29 years of age were the greatest buyers of insurance in the different age groups, forming 33% of the total. This group was followed by those between 30 and 39 years which were 28.9% of the total. Persons between 40 and 49 came next at 16.16%.

Officers—
J. F. Weston, president; S. J. Moore, F. P. Wood, vice-presidents; G. Cecil Moore, managing director; J. G. Parker, general manager and actuary; Donald Matheson, secretary; H. T. Roesler, treasurer; G. H. Hunt, general superintendent of agencies.

Directors—
Representing policyholders: S. H. Logan, Hon. Charles McCrea, K.C., H. H. Williams, G. Harrison Smith, all of Toronto, Ont.; Hon. Donat Raymond, Montreal, Que.
Representing shareholders: J. P. Bickell, Mark H. Irish, J. W. Mitchell, G. Cecil Moore, S. J. Moore, Graham Morrow, J. F. Weston, F. P. Wood, all of Toronto, Ont.; John S. Norris, Montreal, Que.

Field of Operations—
Antigua, Bahamas, Barbados, Bermuda, British Honduras, Cuba, Dominica, Dominican Republic, Great Britain, Grenada, Guatemala, Haiti, Jamaica, Newfoundland, St. Kitts, St. Lucia, Trinidad, California, New York State, and all the provinces of Canada.

Capital—Subscribed	$1,000,000
Subscribed	1,000,000
Paid-up	1,000,000

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1915	11,591,483	48,966	8,485
1920	19,310,403	116,201	28,648
1925	35,047,398	195,068	32,225
1930	62,979,827	300,932	33,504
1935	75,163,593	279,339	21,867
1939*	91,815,796	280,082	21,393
1940*	96,177,799	282,892	20,390

*In previous years deferred annuities were included in the business in force and in new insurance paid for. If these were included in the 1940 figures, business in force would be $302,773,699, and new insurance $22,760,877.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	15,845,529	259,695,082
(b) Non-partic.	1,369,144	17,508,923
Group	800,482	5,688,225
Totals 1940	18,015,155	282,892,230
1939	20,081,278	280,081,947

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	38.1	35.8	33.6	30.9
Municipal	7.3	7.6	8.3	9.5
Other	19.7	19.6	19.0	18.3
Total	65.1	63.0	60.9	58.7
Mortgages:				
Farm	2.0	2.2	2.4	2.5
Urban	8.6	9.9	10.8	11.9
Total	10.6	12.1	13.2	14.4
Policy loans	12.3	13.4	14.5	15.6
Stocks:				
(a) Preferred	1.3	1.3	1.4	1.6
(b) Common	3.8	3.7	3.3	3.9
Real estate	4.4	4.1	4.1	4.4
Other	2.5	2.4	2.6	1.4
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion Dept. of Insurance)	4.26%
Consideration received for annuities, 1940	$1,405,654
Foreign business:	
(a) Amt. in force Dec. 31/40	68,365,018
(b) New business effected	4,379,702
Death claims paid: 1940	2,536,371
1939	2,365,874

Toronto Mutual

Business in Force Up Over 51% in Six Years

In the six years since it began business on its present basis, the Toronto Mutual Life Insurance Co. has increased its insurance in force over 51%. At the end of December business in force with the company was $8.8 millions. This was almost $1 million higher than at the end of 1939. New insurance effected in 1940 at $1.9 million also was higher while assets increased as well.

The Toronto Mutual was originally organized in 1898 as the life insurance department of the Ancient Order of Foresters. It was incorporated in 1934 as the Ancient Foresters' Mutual Insurance Co. and in 1939 the name was changed to the Toronto Mutual Insurance Co.

The investment portfolio shows bonds constituting over 49% of total invested assets. This proportion has been increasing in recent years. Holdings of urban mortgages are slightly higher. New money in 1940 was placed in Dominion war loans, provincial corporation and municipal bonds, stocks and mortgages. The rate of interest earned was 5.46% compared with 4.8%.

Officers—
J. W. B. Ford, pres.; Charles Fry, 1st vice-pres.; H. W. B. Boynton, 2nd vice-pres.; C. G. Dynes, K.C., chm. of board; L. G. Nicholls, sec.; J. D. Buchanan, consulting actuary; E. F. Bowie, medical examiner.

Directors—
J. W. B. Ford, Charles Fry, H. W. B. Boynton, C. G. Dynes, L. G. Nicholls, E. L. Box, W. R. Davis, A. Galbraith and M. West.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1935	1,397,650	5,836	1,953
1936	1,463,888	6,327	2,053
1937	1,540,173	7,090	1,934
1938	1,602,601	7,528	2,024
1939	1,642,258	7,973	1,742
1940	1,672,806	8,832	1,930

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	403,438	3,187,191
Non-participating	nil	105,611
Industrial	1,526,859	5,539,148
Totals 1940	1,930,297	8,831,950
1939	1,742,989	7,973,056

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	22.2	18.5	17.9	16.4
Municipal	22.6	24.2	24.9	27.7
Other	4.6	4.9	4.3	3.4
Total	49.4	47.6	47.1	47.5
Mortgages:				
Urban	26.0	25.6	28.2	37.3
Policy loans	11.2	11.7	11.8	11.8
Stocks:				
Preferred	.3	.3	..	..
Common	3.6	3.2	2.3	1.2
Real estate	9.5	11.6	10.6	2.2
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	5.46%
Death claims paid: 1940	$61,649
1939	48,740

Commercial Life

Business in force with the Commercial Life Assurance Co. of Canada in 1940 increased $600,000 to $10.4 millions. New insurance effected during the year also was higher at $1.7 million.

The Commercial Life was incorporated in 1911 under the name of the Alberta-Saskatchewan Life Insurance Co. It started business in 1913 and in 1919 the name was changed to the present style. In 1939 it moved its head office from Edmonton to Toronto.

Over 48% of the company's investments are in bonds.

Officers—
R. H. Cautley, pres.; J. W. Glenwright, 1st vice-pres. & man. dir.; W. C. Hodgson, 2nd vice-pres.; E. B. H. Shaver, sec.

Directors—
Dr. N. Allin, R. H. Cautley, H. W. B. Douglas, John Gillespie, W. T. Henry, W. W. Prevey, all of Edmonton; H. B. Begg, H. H. Bishop, F. J. Colgan, J. W. Glenwright, W. C. Hodgson, all of Toronto; L. G. Calder, Montreal; F. O. Hodgson, Vancouver; John East and Robt. Shannon, Saskatoon.

Head Office—Toronto.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary business—		
Participating	926,886	4,100,131
Non-participating	672,133	4,107,741
Group	188,000	2,205,169
Totals, 1940	1,787,019	10,413,041
1939	931,989	9,836,947

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	27.39	24.28	22.76	21.95
Municipal	5.09	5.31	5.63	6.12
Other	15.60	14.51	12.35	11.44
Total	48.08	44.10	40.74	39.51
Mortgages & Agts.:				
Farm	7.41	8.03	8.87	9.90
Urban	3.89	4.99	6.96	11.23
Total	59.38	57.12	56.57	60.64
Policy loans	12.22	12.72	13.65	14.79
Stocks:				
Preferred	4.70	5.33	4.87	3.22
Common	14.00	14.11	14.29	13.81
Real estate	8.25	8.73	9.05	6.06
Other	1.45	1.99	1.57	1.48
Total	100.00	100.00	100.00	100.00

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion department of insur.)	4.43%
Consideration received for annuities, 1940	$25,293
Death claims paid 1940	$72,235
1939	$66,397

Occidental Life

Although new insurance effected by the Occidental Life Insurance Co. of California in Canada in 1940 was $4.2 millions lower than in the previous year, the amount of insurance in force increased $2.2 millions and at Dec. 31 was $25.3 millions. Total assets also increased during the year.

Head office of the Occidental Life is at Los Angeles. It commenced business in 1906 and in 1928 obtained a license to do business in Canada. The head office for Canada is at London, Ont. Total business in force for the entire company on Dec. 31 was $519.3 millions and total assets $73.4 millions.

Head Office—Los Angeles, California.
Head Office in Canada—London, Ont.
Manager for Canada—W. Lockwood Miller.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. *Effected ($ 000)
1936	799,255	8,737	2,732
1937	964,110	12,118	4,736
1938	1,134,632	16,393	6,256
1939	1,226,636	23,126	9,807
1940	1,491,894	25,318	5,778

Entire Operations

Total assets, 1940	$ 73,448,041
Total bus. in force, Dec. 31/40	519,339,495
*Total new ins. effected 1940	74,377,500

	1940	1939	1938	1937
♦Interest earned (%)	4.81	4.80	4.90	4.80

*Issued, accepted and paid for, exclusive of increases, revivals and annuities.
♦On mean net ledger assets as reported to Dominion department of insurance.

Equitable U. S.

The Equitable Life Assurance Society of the United States, which began business in Canada in 1868, ceased writing new business here in 1920. It continues, however, to service the business in force in this country.

Entire Operations U. S. and Canada

	Total Assets $000,000	Business in Force $000,000	New Business $000,000
1936	1,984	6,411	456
1937	2,105	6,734	500
1938	2,260	6,749	415
1939	2,401	6,936	380*
1940	2,564	7,136	380*

*U. S. only.

Commenced Business 1906
MONARCH LIFE ASSURANCE COMPANY
A PROGRESSIVE CANADIAN COMPANY

"Faithful PROTECTION"
TORONTO MUTUAL LIFE Insurance Company
Head Office: 7 Gerrard St. W. ELgin 0254
Branch Office: 6 Hayden Street Kingsdale 6926

SOVEREIGN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE WINNIPEG
INCORPORATED 1902 BY LICENSE OF THE DOMINION GOVERNMENT

For Your DEPENDENTS Today . . .
. . . And Your Own INDEPENDENCE Tomorrow

Only with Life Insurance arranged NOW, can you use the same dollars to best advantage to:

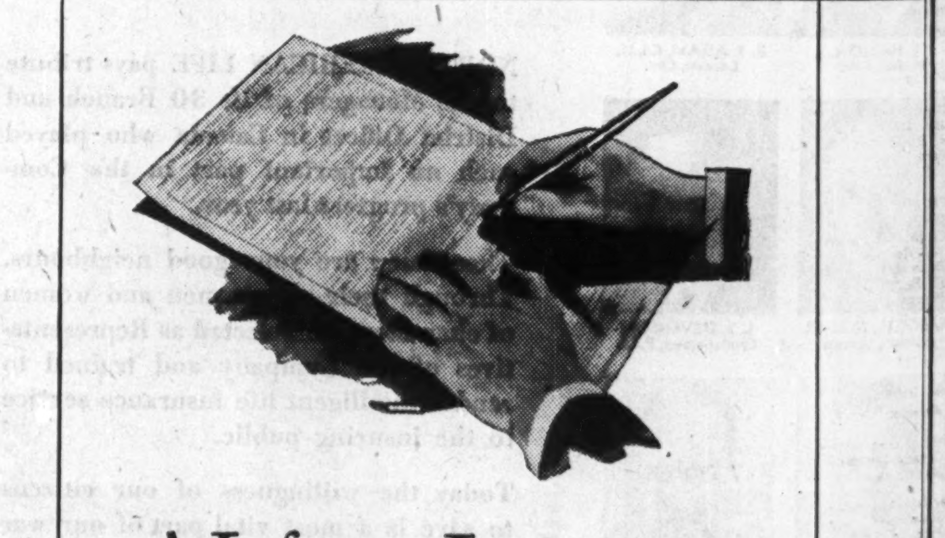
(a) Give your family a regular income in case of your untimely death, or

(b) Assure yourself a living income when your working years are over.

An Equitable policy is quality insurance. The Company maintains a high margin of surplus security for policyholders; earns an excellent return on selected investments; has a stable dividend record based on good mortality and interest; and offers flexible, modernized contracts, that cost no more, yet give liberal privileges to fit your needs.

PROTECTION
THE EQUITABLE LIFE INSURANCE COMPANY OF CANADA
HEAD OFFICE—WATERLOO, ONTARIO

1871 • 70 Years of Security to Policyowners • 1941



A Lifetime Investment Free From Care

LIFE INSURANCE is the only lifetime investment that will never cause you worry.

It will never decrease in value.

It is always worth 100 cents on the dollar at maturity, whether that maturity occurs in a month as the result of unexpected death, or years hence when you have lived to enjoy the benefit of your own thrift.

Nothing but Life Insurance guarantees so much financial security for so small an annual saving.

Before You Insure Consult

Confederation Life Association
HEAD OFFICE TORONTO

Metropolitan Life

Business in Force in Canada Rises to $1.2 Billion

The Metropolitan Life Insurance Co. has more life insurance in force than any other company in the world. It was originally incorporated in New York State in 1866 and began writing business in the United States in 1867. In 1915 it was reincorporated as a mutual company. It has been operating in Canada since 1872 the head office in this country being at Ottawa.

Industrial insurance constitutes a large part of the business of the company, being about 36% of the total. In Canada industrial insurance is about 40% of the company's total.

Health and welfare work bulk large among the company's activities. In 1940 it participated in 85 health campaigns in Canada alone and distributed almost 2.7 million pieces of health literature. Through its nursing service, 317,972 visits were made to sick Canadian policyholders at no additional cost to them.

At the end of 1940 the company had business in force in Canada amounting to $1.2 billion, a new high record for the company in this country and some $43 millions above the previous year. Of this total $666 millions was ordinary, $432 millions industrial and $107 millions group. New insurance effected in 1940 amounted to $109 millions and was over $7 millions above the previous year. Total assets in Canada at Dec. 31 were $296.9 millions.

The total business in force for the company at the end of 1940 was almost $24 billions. Payments to the company's policyholders in 1940 and their beneficiaries were almost $609 millions, a record high for the company. Of this sum $310.1 millions was distributed to ordinary and group policyholders, industrial policyholders received $278.8 millions and accident and health policyholders over $20 millions. Over $185 millions was added to statutory and contingency reserves.

Total assets in Canada increased $16 millions in 1940. Investments included $188.2 millions Dominion, provincial and municipal bonds. The company subscribed $11 millions to the first and second war loans through conversion and was awarded $8 millions.

Home Office—New York.
Canadian Head Office—Ottawa, Canada.
Manager for Canada—E. C. McDonald.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. effected* ($ 000)
1936	280,781,740	1,065,096	125,597
1937	269,863,260	1,126,790	145,766
1938	271,426,208	1,143,867	119,155
1939	280,363,744	1,163,200	101,973
1940	296,976,446	1,206,231	109,099

Entire Operations

Total assets, 1940 .... $5,357,791,636
Total bus. in force, Dec. 31/40 23,923,784,178
*Total new ins. effected 1940 1,708,837,245

	1940	1939	1938	1937
‡Interest earned (%)	3.67	3.83	3.86	3.93

‡On mean net ledger assets as reported to Dominion department of insurance.

Prudential

(England)

Increases Shown in All Items Canadian Business

Increases in both insurance in force and new insurance effected are shown by the Prudential Assurance Co. of London, England, in its operations in Canada in 1940. Insurance in force in Canada on Dec. 31 was $36.4 millions.

The Prudential of England was established in 1848, but began writing life insurance in Canada only in 1930. Previous to that it had been transacting other lines of insurance such as fire, automobile and casualty here.

Data regarding the 1940 operations of the company as a whole are not yet available, but at the end of 1939 total assets of the ordinary branch exceeded $500 millions with well over one million policies in force. The sums assured exceeded $1.2 billion and annual premium income was nearly $60 millions—all taken at current rates of exchange. Interest earned on invested assets in 1939 was 4.668%.

Head Office—London, Eng.
Head Office in Canada—465 St. John St., Montreal.
Officers—
Manager for Canada, F. C. Capon; actuary for Canada, Arthur Pedoe; mgr. of life agencies for Canada, A. C. Galbraith.

Growth of Business in Canada (Life)

Year	Assets $	Liabs. in Can. $	Bus. in force ($ 000)	New Ins. pd. for ($ 000)
1933 ..	1,587,677	820,045	8,224	3,649
1934 ..	2,216,670	1,313,711	11,753	4,471
1935 ..	1,989,503	1,912,192	15,097	4,025
1936 ..	3,016,198	2,397,351	18,591	4,260
1937 ..	3,745,268	3,405,284	22,937	5,788
1938 ..	4,915,142	4,379,938	27,478	5,830
1939 ..	5,839,557	5,241,308	31,417	5,794
1940 ..	6,995,970	6,050,446	36,422	6,798

Rate of Interest Earned on Investments:

*1940 %	1939 %	1938 %	1937 %	1936 %
....	4.668	5.012	5.027	4.958

*Figures for entire operations of company not yet available.

Standard Life

Business in Force in Canada Over $38 Millions

New insurance effected by the Standard Life Assurance Co. of Edinburgh, Scotland, in Canada in 1940 was slightly lower than in the previous year. Insurance in force also was down slightly.

The Standard Life was established in 1825 and commenced writing insurance in Canada in 1833. In 1925, when just 100 years old, it was reorganized on a mutual basis and is now a purely mutual company.

Officers and Directors—
(Canadian branch only)
D. Forbes Angus, chairman; F. E. Meredith, K.C., Walter Molson, A. F. Baillie, W. A. Bog, directors; W. H. Clark Kennedy, mgr.; E. L. Armstrong, agency mgr.; Robert Thomson, sec.

Head Office—Edinburgh.
Head Office for Canada—Montreal.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. *Effected ($ 000)
1935	27,136,140	31,087	3,331
1936	27,363,940	33,155	3,588
1937	28,924,059	35,506	3,870
1938	29,311,862	37,403	3,700
1939	28,172,842	38,461	3,118
1940	18,721,250	38,025	2,221

*On basis required by Dominion Dept. of Insurance, i.e., paid for, exclusive of increases, revivals and annuities.

Classes of Business Written

Ordinary Business—	Effected* 1940 $	Business in force Nov. 15/40 $
(a) Participating ..	1,220,730	......
(b) Non-partic. ...	1,000,388	......
Totals 1940	2,221,119	38,025,835
1939	3,116,078	38,461,980

*Paid for, exclusive of increases, revivals and annuities.

Consideration received for annuities in 1940 was $4,991. Death claims paid during the year amounted to $704,576 compared with $742,212 in 1939.

Universal Life

The Universal Life Assurance and Annuity Co. of Winnipeg in 1840 received $182,937 consideration for annuities, while the amount paid out to living policyholders and annuitants was $34,533. Death claims were $8,845. The company reports $1 million endowment annuities effected outside Canada in 1940.

Total assets are reported at $623,028. New money received, it is stated, was invested in Government bonds in 1940.

The Universal Life and Annuity Co. began business in 1902. It changed ownership in 1934 when control was bought by S. C. Tweed and associates. It operates in Manitoba. Head office is at Winnipeg.

Officers—
Pres. & mgr., S. C. Tweed; vice-pres., Hon. J. T. Haig, K.C.; sec., F. L. Ernst; treas., E. W. Voelker.

Directors—
S. C. Tweed, Hon. J. T. Haig, K.C., J. B. Haig, K.C., A. R. Goudie, F. Batty, W. H. G. Gibbs, M.D.

Head Office—Winnipeg.
Field of Operations—Manitoba.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government ..	37	26	5½	5½
Other	1	1	1½	1½
Total	38	27	7	7
Mortgages:				
Farm	5	5	8	8
Urban	29	35	45	46
Total	34	40	53	54
Policy loans	15	18	22	20
Real est. & other	13	15	18	19
Total	100	100	100	100

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance) ... 4.95%
Consideration received from annuities, 1940 .... $ 182,937
Foreign business:
New business effected 1,007,851
Endowment annuities.
Death claims paid:
1940 8,845
1939 141

Equitable Life

The Equitable Insurance Co. of Canada at the end of 1940 had $41.3 millions of business in force and $12.6 millions of assets. As was the case with many other companies in Canada in 1940 new insurance effected was slightly lower. The unusual conditions brought about by the war seemed to be responsible in the main for this condition.

The company was organized originally in 1920 under Ontario charter as the Ontario Equitable Life and Accident Insurance Co. In 1936 a new company with the present name was formed with Dominion charter. It took over the business of the Ontario Equitable. The head office is at Waterloo.

The investment portfolio of the company shows a large proportion of mortgages. The company has a substantial volume of National Housing Act mortgages with which it has had a very satisfactory experience. New money during the year was placed in Dominion Government bonds and in first mortgages on single residences. The rate of interest earned on invested assets during the year was 5.00% compared with 4.98% in 1939. Payments to living policyholders and annuitants in 1940 were $781,758. Since incorporation the amount is $9,509,281.

Officers—
M. J. Smith, pres.; J. C. Breithaupt, J. C. Haight and J. A. Martin, vice-pres.; M. J. Smith, gen. mgr.; E. H. McKinney, supt. of agencies; F. B. Relyea, F.A.S., actuary; F. D. Rueffer, treas.; H. E. Power, sec.; H. G. Mistele, asst. treas.; E. R. Batho, asst. actuary; J. R. Fischer, accountant; W. L. Hilliard, medical director; J. C. Haight, K.C., solicitor.

Directors—
M. J. Smith, Kitchener; J. C. Breithaupt, Kitchener; J. C. Haight, K.C., Waterloo; H. G. Bertram, Hon. F. C. Biggs, Dundas, Ont.; A. W. Briggs, K.C., H. Begg, Toronto; Hon. Harold MacPherson, St. John's, Nfld.; J. A. Martin, Kitchener; E. C. Mitchell, C. S. Morton, M.B., Halifax; W. E. Payne, K.C., Red Deer, Alta.; E. K. Reiner, Wellesley, Ont.; J. M. Walton, Aurora, Ont.

Head Office—
Waterloo, Ont.

Field of Operations—
Canada, in each province except the Maritimes, Alta. and in Newfoundland.

Capital—Authorized	$2,000,000
Subscribed	1,635,775
Paid-up	327,155

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1932	8,238,516	46,700	2,872
1934	9,127,866	40,949	2,940
1935	9,726,741	40,965	*2,642
1936	10,302,438	40,982	*3,077
1937	11,050,079	41,250	3,678
1938	11,592,190	40,773	2,420
1939	12,160,415	41,062	2,956
1940	12,695,621	41,375	2,851

*Including annuities, etc.

Classes of Business Written

Ordinary Business—	Effected* 1940 $	Business in force Dec. 31/40 $
Participating	1,845,329	4,307,409
Non-participating .	1,005,959	37,067,707
Totals 1940	2,851,288	41,375,116
1939	2,956,676	41,062,830

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government ..	11.15	12.80	13.99	14.15
Municipal	6.62	6.90	7.64	8.73
Other	8.30	9.67	11.24	10.24
Total	26.07	29.37	32.87	33.12
Mortgages:				
Farm	1.13	1.15	1.16	....
Urban	50.05	44.82	40.54	....
Total	51.18	45.97	41.70	42.19
Policy loans	11.81	12.97	14.18	14.75
Stocks:				
Preferred .... } Common ..... }	.91	.25	.49	.61
		.69	.69	.73
Real estate	5.00	5.43	4.32	4.04
Other	5.03	5.32	5.75	4.56
Total	100.00	100.00	100.00	100.00

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance) ... 5.00%
Consideration received from annuities, 1940 .... $ 13,138
Death & other claims paid:
1940 312,313
1939 271,249

Life Insurance In Action!

By its very nature, Life Insurance is an active, continuing force—a *living force* in the homes of millions who share its benefits.

Last year Metropolitan visited many homes in times of family crisis, for a total of over $182,000,000 was paid on account of death claims to scores of thousands of beneficiaries of Metropolitan policyholders. Dividends, matured endowments, annuity payments, disability, and health and accident claims, and other benefits paid or credited to living policyholders during the year amounted to more than $426,000,000. The total of almost $609,000,000 for payments to policyholders and beneficiaries is a record high for the Company.

Metropolitan funds, invested for the benefit of its policyholders, continued to play a part in the life of the nation. These funds aided in financing Government activities, helped to keep industry humming and men in jobs and the nation strong and productive—helped to erect public and private buildings, and assisted farmers to own their farms and keep them in proper repair. However, the low interest rates generally prevailing, continued to have their effect on the Company's earnings and consequently on dividends to policyholders.

Moreover, through its Welfare activities, its nursing service for eligible policyholders, its research, its health and safety literature and advertising, Metropolitan again contributed to the task of bringing better health to the people of Canada and the United States. The death rate of Metropolitan policyholders as a whole continued to be low, and mortality among Industrial policyholders was approximately the same as the 1939 figure, a record low for this group.

Metropolitan is a mutual life insurance company. This means that the assets of the Company are held for policyholders and their beneficiaries. The value of these assets will ultimately be paid out for their benefit... and for them only.

Business Report for the year ending December 31, 1940.

ASSETS WHICH ASSURE FULFILLMENT OF OBLIGATIONS

Government Securities		$1,147,603,320.93
U. S. Government	$1,063,435,444.96	
Canadian Government	84,167,875.97	
Other Bonds		1,947,840,273.51
U. S. State & Municipal . . .	98,597,960.88	
Canadian Provincial & Municipal .	104,071,903.62	
Railroad	556,382,872.40	
Public Utilities	709,433,300.58	
Industrial & Miscellaneous	479,354,236.03	
Stocks		86,359,622.68
All but $47,952.13 are Preferred or Guaranteed.		
First Mortgage Loans on Real Estate		937,226,443.47
Farms	82,104,425.08	
Other property	855,122,018.39	
Loans on Policies		504,549,131.45
Real Estate Owned		430,945,055.68
Includes real estate for Company use, and housing projects.		
Cash		150,740,516.25
Premiums Outstanding and Deferred		90,232,179.03
Interest Due and Accrued, etc.		62,295,093.32
TOTAL		$5,357,791,636.32

OBLIGATIONS TO POLICYHOLDERS, BENEFICIARIES, AND OTHERS

Policy Reserves required by law	$4,665,558,926.00
Amount which, with interest and future premiums, will assure payment of policy claims.	
Dividends to Policyholders	112,417,253.00
Set aside for payment during the year 1941.	
Reserve for Future Payments on Supplementary Contracts	139,378,189.86
Held for Claims	23,183,629.31
Including claims awaiting completion of proof and estimated amount of unreported claims.	
Other Policy Obligations	44,729,420.90
Including reserves for Accident and Health Insurance, dividends left with Company, premiums paid in advance, etc.	
Miscellaneous Liabilities	32,284,133.01
Liabilities not included above, such as taxes due or accrued.	
TOTAL OBLIGATIONS	$5,017,551,552.08
Special Funds	16,370,000.00
Surplus	323,870,084.24
This serves as a margin of safety, a cushion against contingencies which cannot be foreseen.	
TOTAL	$5,357,791,636.32

NOTE—Assets carried at $238,267,054.59 in the above statement are deposited with various public officials under requirements of law or regulatory authority. Canadian business embraced in this statement is reported on basis of par of exchange.

In Canada — *These highlights of the Company's business in the Dominion during 1940 will be of particular interest to Metropolitan's Canadian policyholders and their beneficiaries.*

The total amount of Metropolitan life insurance in force in Canada at the end of the year was **$1,206,231,511** of which **$666,544,714** was held by Ordinary policyholders; **$432,296,262** by Industrial policyholders and **$107,390,535** by Group policyholders.

* * *

Payments to Metropolitan policyholders and beneficiaries in Canada during 1940 were **$31,829,729.76.**

The total amount the Metropolitan has paid to Canadians since it entered Canada in 1872, plus its present investments in Canada, exceeds the total of all premiums received from Canadians by more than **$173,900,000.**

* * *

The total number of nursing visits made without additional cost to our Canadian policyholders during 1940 was **317,972.**

Metropolitan health publications distributed in Canada during 1940 totalled **2,687,049.**

* * *

Metropolitan investments in Canada as of December 31, 1940 totalled **$296,976,446.02.**

. . . Dominion Government Bonds	**$ 84,167,875.97**
. . . Provincial and Municipal Bonds	**104,071,903.62**
. . . All other investments	**108,736,666.43**

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

FREDERICK H. ECKER
Chairman of the Board

LEROY A. LINCOLN
President

Home Office: NEW YORK

Canadian Head Office: OTTAWA

DIRECTORS

FREDERICK H. ECKER, New York, N. Y.
Chairman of the Board
Metropolitan Life Insurance Company

*MITCHELL D. FOLLANSBEE, Chicago, Ill.
Member, Follansbee, Shorey and Schupp
Attorneys at Law

JOSEPH P. DAY, New York, N. Y.
President, Joseph P. Day, Inc., Real Estate

LANGDON P. MARVIN, New York, N. Y.
Member, Emmet, Marvin and Martin
Attorneys at Law

WILLIAM L. DE BOST, New York, N. Y.
President, Union Dime Savings Bank

JEREMIAH MILBANK, New York, N. Y.
Milbank & Co.

*Died Jan. 26, 1941

D'ALTON CORRY COLEMAN
Montreal, Canada, Senior Vice-President,
Canadian Pacific Railway Company

NEWCOMB CARLTON, New York, N. Y.
Chairman of the Board
Western Union Telegraph Company

LEROY A. LINCOLN, New York, N. Y.
President, Metropolitan Life
Insurance Company

HARRY W. CROFT, Greenwich, Conn.
Retired, formerly Chairman of the Board
Harbison-Walker Refractories Company

THOMAS H. BECK, New York, N. Y.
President, The Crowell-Collier Publishing
Company

WALTER EWING HOPE, New York, N. Y.
Member, Milbank, Tweed and Hope
Attorneys at Law

DIRECTORS

SAMUEL W. FORDYCE, St. Louis, Mo.
Member, Fordyce, White, Mayne, Williams
and Hartman, Attorneys at Law

GEORGE MCANENY, New York, N. Y.
Chairman of the Board
Title Guarantee and Trust Company

ROBERT V. FLEMING, Washington, D. C.
President and Chairman of the Board
Riggs National Bank

FREDERIC W. ECKER, New York, N. Y.
Vice-President
Metropolitan Life Insurance Company

WINTHROP W. ALDRICH, New York, N. Y.
Chairman of the Board
Chase National Bank of New York

WILLIAM W. CROCKER, San Francisco, Calif.
President
Crocker First National Bank of San Francisco

AMORY HOUGHTON, Corning, N. Y.
President, Corning Glass Works

LOUIS S. ST. LAURENT, Quebec, Canada
Member, St. Laurent, Gagne, Devlin &
Taschereau, Attorneys at Law

ERNEST E. NORRIS, Washington, D. C.
President, Southern Railway System

THOMAS H. MCINNERNEY, New York, N. Y.
President, National Dairy Products Corp.

PHILIP D. REED, New York, N. Y.
Chairman of the Board
General Electric Company

JUAN T. TRIPPE, New York, N. Y.
President, Pan-American Airways System

WEBSTER B. TODD, New York, N. Y.
President, Todd and Brown, Inc., Builders

Illustration shows Canadian Head Office of the Metropolitan Life Insurance Company in Ottawa. The Home Office is in New York and a Head Office is also maintained in San Francisco. In addition over 1100 branch offices are maintained in Canada and the United States for the convenience of policyholders.

Now the Modern Way

LIFE INSURANCE on a BUDGET

$10 A MONTH

Creates an Estate of

THOUSANDS OF DOLLARS

Financial Security for Your Family—Retirement Income for Yourself—Education Insurance for Your Children.

Dominion Life offers you the modern method of buying Life Insurance.

You figure what you can afford to *Budget* each month, *in units of $10* and that $10 (or multiples of it) buys you so much Life Insurance. For example—a man of 30 decides to budget $10 a month for Insurance, *(he has, of course, many choices depending on his particular needs)* but here in the panel on the right you will see, as a basis, what the Dominion Security Plan will provide.

Thousands of Dollars for $10 a month—is true, for the minute your application is accepted and you pay your premium, you have created an estate of thousands of dollars.

Many things are bought on a budget plan. People enjoy many benefits they would have to do without if they had to pay the total cost in one lump sum. *Now you can buy Life Insurance on this convenient monthly budget plan.*

Specimen for a Young Man of 30

For a Young Man of 30 $10 a Month Provides—
$5,332 to his loved ones, if he dies,
—or $30 a month to them for almost 20 years
—or a pension for himself of over $26 a month for life, starting at 65.
Profit participation will add considerably to the sums received.
$20.00 a month doubles these benefits—$30 triples them—and so on.

Now—Budget $10 a month for a start in Life Insurance (or $10 a month more than at present). You know what the premium will be. Let you and our Representative discuss the *kind of Policy* your special circumstances need. Write us.

THE DOMINION LIFE ASSURANCE COMPANY

HEAD OFFICE . . . WATERLOO, ONTARIO

Another Year of Progress

December 31, 1940

Assets	$623,028
Policy Reserves	500,491
Income	227,490
Capital and Surplus	58,259
Payments to Policyholders	43,856

During the year the Company issued and distributed several thousand copies of 12 Booklets for the purpose of aiding the British War Effort. Praise and thanks for this work has been received from Cabinet Ministers and men and women in all walks of life in Canada, also in Great Britain, the United States and South America.

An authorized portrait of
PRIME MINISTER
WINSTON CHURCHILL
with "A Briton's Creed" (12" x 18") and 32 page booklet containing his February 9, 1941, address will be mailed on receipt of 25c (coin or stamps) to cover cost of handling and postage.

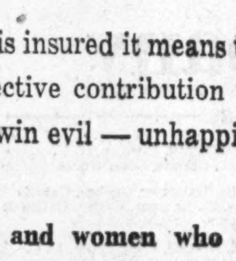
The Universal Life Assurance & Annuity Co.
(Incorporated 1902)
WINNIPEG - CANADA

To the Future

Every time a life is insured it means that some individual has made an effective contribution to the constant war on want and its twin evil — unhappiness.

Men and women who know the value of money — ready dollars in emergency — are believers in this form of protection.

For further endorsement ask any widow who has experienced the encouragement given by the proceeds of life insurance.



The Prudential Insurance Company of America

Home Office, NEWARK, N. J.

Sun Life

Assets Reach New High Level at $950 Millions — Policy Payments $94 Millions

Sun Life Assurance Co. of Canada, the largest institution of its kind in the Dominion and ranking among the largest in the world, conducts operations in 41 states, districts and territories of the United States and 36 other countries throughout the world. With the exception of Australia and Continental Europe there is hardly a country that does not know the "Sun Life of Canada."

It specializes in and transacts a large business in annuities and group insurance, and issues both participating and non-participating policies. The largest amount the company will write and retain on any life is $200,000.

Incorporated in 1865

When it was originally incorporated in 1865 under the name Sun Insurance Co. of Montreal, the intention was to carry on a general insurance business. Six years later, however, the name was changed to the Sun Mutual Life Insurance Co. of Montreal and the business of the company confined to life and accident business. The first policy was written in 1871. Until 1893 it transacted accident as well as life assurance.

On May 17, 1882, the name of the company was changed to the Sun Life Assurance Co. of Canada, as at present, by a further charter amendment. In 1880 it opened an agency in the British West Indies. Other milestones in the company's history were the establishment of an office in England in 1894 and its entry into the United States by an office in Detroit in 1895.

According to the company's last financial statement the assets at Dec. 31 stood at a new high level of $950.7 millions, an increase of $36 millions over the preceding year. Insurance in force at $2.9 billions was also higher. New insurance effected in 1940 at $169.5 millions was lower than in the previous year.

Policy Payments

During the year the company paid out to policyholders and beneficiaries $94.1 millions. Of this total nearly $26 millions was paid in death claims to approximately 7,800 families, $68.3 millions to living policyholders, annuitants, etc., A. B. Wood, president and managing director, stated at the annual meeting. Only 2% of all the company's death claims, said Mr. Wood, arose either directly or indirectly from the war. He compared this percentage with the 9% of the total claims incurred each year due to accidents. The company's mortality experience in both Canada and Great Britain, he said, was actually more favorable than that in the United States, where there were no war claims.

Of the total amounts payable on death and maturity during 1940, more than one third were left with the company to be distributed as income. The company has now over 13,500 contracts arising from claims of previous years on which proceeds are being paid regularly.

Total Benefits

In the 70 years since its first life policy was issued the Sun Life has paid out in benefits to policyholders and beneficiaries almost $1.4 billion.

Total income in 1940 was $167.3 millions, an increase of $1.2 million over 1939.

The investment portfolio shows an increase in holdings of bonds, these amounting to 55.1% of total invested assets compared with about 20% seven years ago. Holdings of urban mortgages increased slightly with farm mortgages remaining in about the same proportion. The company has reduced its holdings of common stocks. Seven years ago common stocks were 48.1% of invested assets. At the end of 1940 they were 23.4%.

Like all companies the Sun Life found investment of its funds one of the difficult problems of the year. In spite of this the rate of interest earned in 1940 at 3.96% was only slightly below the 4.02% in the previous year. The favorable rate was attributed to the diversified character of the assets and the earnings on common stocks.

Officers—
Arthur B. Wood, F.I.A., F.A.S., pres. and man. dir.; E. A. Macnutt, vice-pres. and treas.; C. S. V. Branch, 2nd vice-pres.; G. W. Bourke, F.I.A., F.A.S., actuary; F. J. Cunningham, F.A.S., secy.; W. S. Penny, director of agencies; H. P. Thornhill, joint treasurer; E. E. Duckworth, comptroller.

Directors—
Representing shareholders: A. B. Wood, E. A. Macnutt, Sir E. W. Beatty, G.B.E., Sir H. S. Holt, T. B. Macaulay, C. Riordon, Hon, L. C. Webster, Morris W. Wilson, all of Montreal; Hon. L. A. Taschereau, Quebec; John A. Tory, Toronto. Representing policyholders: W. M. Birks, Hon. R. Dandurand, R. H. McMaster, Rt. Hon. A. B. Purvis, J. W. Ross, all of Montreal.

Field of Operations—
Canada, 41 states, districts and territories of the U.S.A., Argentine, Bermuda, British Guiana, British Honduras, British West Indies, Burma, Ceylon, Chile, China, Cuba, Egypt, Eire, Federated Malay States, French Guiana, Great Britain and Northern Ireland, Guatemala, Haiti, Hong Kong, India, Japan, Malta, Netherlands, West Indies, Newfoundland, Palestine, Peru, Philippine Islands, Porto Rico, Santo Domingo, Sarawak, Southern Rhodesia, Straits Settlements, Thailand, Union of South Africa, Virgin Islands.

Capital—Authorized	$4,000,000
Subscribed	2,000,000
Paid-up	2,000,000

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	49,605,616	183,147	30,814
1917	90,160,174	313,068	47,811
1922	174,088,858	633,873	90,798
1927	401,305,884	1,533,910	342,153
1932	611,438,153	2,928,952	285,047
1936	777,803,539	2,775,949	219,966
1937	831,291,743	2,896,569	250,054
1938	875,894,272	2,905,380	193,134
1939	914,767,311	2,938,478	194,132
1940	950,794,366	2,963,709	169,509

Classes of Business Written

	Effected† 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	*	2,180,248,333
(b) Non-partic.	*	263,553,077
(c) Total	142,579,773	2,443,801,410
Group	26,929,036	514,907,421
Totals, 1940	169,508,809	2,963,708,831
Totals, 1939	194,181,820	2,938,478,254

†Paid for, exclusive of increases, revivals and annuities.
* Not available.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	22.2	19.7	21.7	21.5
Municipal	7.1	7.3	6.3	3.9
Other	25.8	25.0	21.9	20.4
Total	55.1	52.0	49.9	45.8
Mortgages:				
Farm	.1	.1	.2	.2
Urban	4.7	4.3	3.8	3.8
Total	4.8	4.4	4.0	4.0
Policy loans	9.2	9.5	10.2	10.9
Stocks:				
(a) Preferred	1.6	1.6	1.7	2.2
(b) Common	23.4	25.7	28.0	30.5
Real estate	2.6	2.8	2.9	3.1
Other	3.3	4.0	3.3	3.5
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion Department of insurance)	3.96%
Consideration received from annuities, 1940	$11,677,533
Foreign business:	
(a) Amt. in force, Dec. 31/40	$2,125,105,417
(b) New business effected	126,168,432
Death claims paid: 1940	25,792,656
1939	24,890,685

Montreal Life

Insurance in Force Up — Assets Also Higher

Although new insurance written by the Montreal Life Insurance Co. in 1940 was slightly lower than in the previous year, insurance in force increased $2.7 millions to $54.2 millions. Total assets rose about $400,000 to $8.3 millions.

The Montreal Life Insurance Co. was established in 1908 as the Travellers Life Assurance Co. of Canada but did not start business till 1919. In 1924 the name was changed to the present style. Since 1929 the company has been controlled by the Atlas Assurance Co. of London, England.

The analysis of investments shows bonds to form a higher proportion of the invested assets than for years past. Urban mortgages are slightly lower as also are stocks and policy loans. Mortality was somewhat higher due partly to war losses.

During the year the company paid out to living policyholders, annuitants, etc., $521,657. Death claims paid amounted to $248,485.

Officers—
Arthur P. Earle, A.I.A., A.A.S., pres.; Haines B. Wickes, F.A.S., sec. and asst. gen. mgr.; W. L. Nicholls, F.I.A., actuary; J. A. Toller, F.C.I.S., treas. and asst. sec.

Directors—
Arthur P. Earle, A.I.A., A.A.S., pres.; C. E. Sanders, vice-pres.; J. V. Desaulniers, vice-pres.; F. Wilson Fairman, Cecil Hugh Falloon, F.C.I.F., C. G. Greenshields, K.C., Hon. R. O. Grothe, George Hogg, A. L. Mailman, Alfred H. Paradis, William Penman, F.I.A., Rene Redmond, Jean Rolland, William S. Walton.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1933	5,446,115	36,700	5,672
1934	5,563,546	37,266	5,240
1935	5,974,845	38,811	6,269
1936	6,225,487	40,666	*5,558
1937	6,694,406	44,794	8,956
1938	7,304,360	47,451	7,495
1939	7,895,923	51,512	9,493
1940	8,311,086	54,222	8,213

*On new Federal Government basis.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	4,756,596	26,892,954
Non-participating	2,804,702	19,015,722
Group	652,094	8,313,322
Totals 1940	8,213,392	54,221,998
1939	9,439,776	51,511,803

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds	42.08	39.00	38.53	34.31
Mortgages:				
Urban	32.16	32.29	30.49	32.17
Policy loans	9.85	11.32	12.78	14.46
Stocks:				
Preferred	.56	.59	1.33	1.69
Common	7.25	7.63	6.37	7.82
Real estate	6.96	7.59	7.96	6.96
Other	1.14	1.58	2.54	2.59
Total	100.00	100.00	100.00	100.00

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	5.15%
Consideration received from annuities, 1940	$143,723
Death claims paid: 1940	248,485
1939	259,364

Royal Insurance

Business in Force in Canada Higher in 1940

Business in force with the Royal Insurance Co. in Canada at the close of 1940 was $28.9 millions, about $500,00 higher than in the previous year. New insurance effected was slightly lower.

The Royal Insurance was established in 1845 in England. The head office is at Liverpool. It began business in Canada in 1851. Besides life insurance it writes fire, automobile and various lines of casualty insurance.

Total assets in Canada of the life department amount to $7.8 millions, over $1 million higher than in the previous year.

Total new insurance written by the Royal in 1940 was approximately $14.8 millions. Figures for the entire operations of the company in 1940 are not yet available. Total assets, however, at the end of 1939 were $309 millions and total business in force $323 millions net. Figures are taken at $5 equal to £1.

The rate of interest earned on invested assets in Canada in 1940 was 3.53%.

Officers—
A. Kentish Barnes, chm. of directors; F. J. Williams and J. D. Simpson, gen. mgrs.; R. W. Sturgeon, F.I.A., actuary; R. Forster Smith, mgr. for Canada.
Head Office—Liverpool, England.
Head Office for Canada—Montreal.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. Effected ($ 000)
1935	7,149,915	25,219	2,196
1936	6,857,014	25,377	2,641
1937	6,555,648	27,525	2,559
1938	7,454,619	28,101	2,277
1939	6,796,698	28,445	2,170
1940	7,804,704	28,990	1,600

Classes of Business Written (Canadian Business)

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	738,557	17,567,254
Non-participating	861,637	11,422,536
Totals 1940	1,600,194	28,989,790
1939	2,170,920	28,445,829

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	79	75	76	74
Municipal	8	8	7	7
Other	2	3	3	4
Total	89	86	86	85
Policy loans	11	14	14	15
Total	100	100	100	100

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	3.53%
Consideration received from annuities, 1940	$ 272
Death claims paid (net):	
1940	287,685
1939	466,766

Entire Operations

Total assets, 1939	*$309,186,510
Total bus. in force, Dec. 31/39 (net)	*323,786,140
‡Total new ins. effected 1940 (approximately) (net)	*14,850,000

‡Issued, accepted and paid for, exclusive of increases, revivals and annuities.
*At $5 to the pound.

Sovereign Life

Assets and Business in Force Higher in 1940

Sovereign Life Assurance Co. with head office at Winnipeg had $34.5 millions of insurance in force at Dec. 31, 1940.

This company writes all classes of ordinary life insurance. It does not write group. It was incorporated in 1902, the first head office being at Toronto. In 1912 the head office was moved to Winnipeg, and the company expanded rapidly in the West. It operates in all provinces except Nova Scotia and Prince Edward Island.

Its business in force in 1940 increased $2 millions while new insurance and total assets also were higher. Total assets reached a new high level.

The analysis of investments shows almost 40% of total invested assets in government, municipal and other bonds, a higher percentage than in 1939. Mortgage holdings were down slightly. New money received in 1940 was invested in Dominion Government, eastern provincial and corporation bonds. There were also some purchases of municipal bonds and preferred and common stocks. The rate of interest earned at 5.12% was almost the same as the 5.14% earned in 1939.

Payments under policy contracts in 1940 were $606,016 of which $474,234 was paid to living policyholders and annuitants, etc.

Officers—
W. Sanford Evans, pres.; E. W. Montgomery, M.D., William Whyte, vice-presidents; M. D. Grant, F.I.A., man. dir.; Ernest Atkins, sec.; J. J. Douglas, treas.; John Turnbull, F.A.S., actuary; H. M. Meiklejohn, supt. of agencies; E. W. Montgomery, M.D., medical dir.; J. W. Taylor, chief accountant.

Directors—
Representing shareholders: E. W. Montgomery, M.D., John Martin, John W. Horn, Roy W. Milner, M. D. Grant, all of Winnipeg; C. D. Grayson, Moose Jaw. Representing policyholders: E. E. Sharpe, K.C., W. Sanford Evans, LL.D., William Whyte, all of Winnipeg.

Field of Operations—
Ontario, Quebec, Manitoba, Saskatchewan, Alberta, British Columbia and New Brunswick.

Capital—Authorized	$1,000,000
Subscribed	840,600
Paid-up	209,995

Dividends Paid on Capital Stock—$1.25 per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	945,739	3,850	831
1917	1,578,841	7,627	1,780
1922	2,474,693	16,485	2,621
1927	4,235,835	23,571	2,985
1932	5,978,885	26,025	2,916
1936	6,461,241	28,621	4,757
1937	6,775,436	30,510	6,121
1938	7,169,820	31,518	5,467
1939	7,655,351	32,526	5,128
1940	8,020,219	34,587	5,629

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	4,119,656	23,144,966
Non-participating	1,508,990	11,442,002
Totals 1940	5,628,646	34,586,968
1939	5,128,413	32,525,957

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	13.0	12.3	11.5	13.9
Municipal	10.2	10.3	11.8	14.2
Other	16.6	15.1	9.9	8.8
Total	39.8	37.7	33.2	36.9
Mortgages:				
Farm	10.3	11.7	14.0	16.3
Urban	10.4	11.5	13.6	15.9
Total	20.7	23.2	27.6	32.2
Policy loans	10.4	10.9	12.7	14.1
Stocks:				
Preferred	7.3	7.2	5.6	4.6
Common	9.3	9.2	9.0	3.9
Real estate	11.0	10.3	8.8	6.6
Other	1.5	1.5	3.1	1.7
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	5.12%
Consideration received from annuities, 1940	$218,246
Death claims paid: 1940	131,782
1939	100,092

Dom. of Canada

New Business and Business in Force Higher

The Dominion of Canada General Insurance Co., with head office at Toronto, is a multiple line company writing fire and various lines of miscellaneous insurance in addition to life.

It has shown steady growth in recent years.

Insurance in force at the end of 1940 was $14.5 millions or about $400,000 larger than in the previous year.

The company, it is officially stated, actually showed an increase of business in force of over $1 million. But during the year it discontinued writing business in Great Britain and reinsured all its British life business. But for this, the company would have shown a larger amount of business in force than the $400,000 indicated. Total assets of the life insurance department at $2.2 millions are at a new high level. Over 63% of the company's invested assets is in Government bonds. Total assets of the company available for life insurance policyholders amount to $5.6 millions.

The Dominion of Canada General Insurance Co. was incorporated in 1887 as the Manufacturers' Accident Insurance Co. The name was changed subsequently to Dominion of Canada Guarantee and Accident Insurance Co. and then again in 1929 to its present style. Its license was extended to cover life insurance in 1924.

In 1940 the company earned 4.58% on invested assets which compares with 4.87% in 1939.

Officers—
Geo. H. Gooderham, pres.; Col. A. E. Gooderham and D. G. Ross, vice-pres.; H. W. Falconer, man. dir.; J. C. Dodds, treas.; J. C. Stuart, gen. supt.; J. E. White, actuary.

Directors—
Col. G. G. Blackstock, E. D. Gooderham, J. P. Nicholls, F. E. Bronson, H. S. Gooderham, A. F. Ball.

Growth of Business

Year	Assets $	Business in Force* ($ 000)	New Ins. Paid for* ($ 000)
1933	813,704	8,086	1,337
1934	935,906	8,894	1,669
1935	1,090,351	9,657	1,615
1936	1,305,000	10,719	1,972
1937	1,534,475	12,006	2,343
1938	1,730,353	13,045	2,060
1939	2,022,443	14,108	1,941
1940	2,261,547	14,522	2,082

*Including deferred annuities.

Classes of Business Written

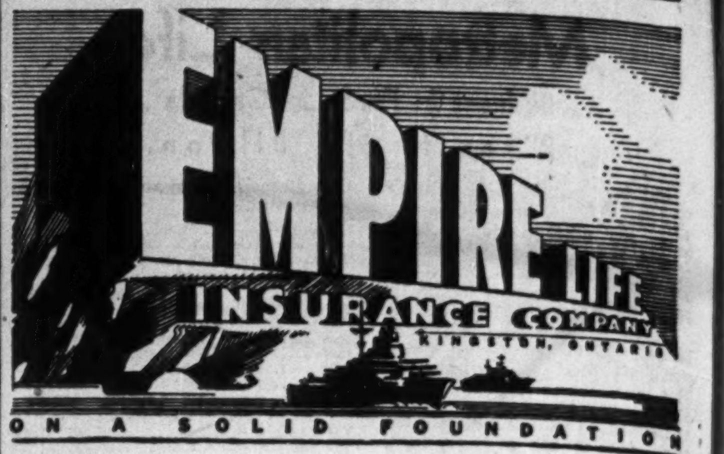
	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Non-participating	2,026,654	14,256,160
Group	56,000	266,675
Totals 1940	2,082,654	14,522,835

*Paid for, exclusive of increases, revivals and deferred annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	21.4	15.7	14.9	16.3
Municipal	8.8	10.2	11.9	12.9
Other	33.7	35.3	34.9	35.1
Total	63.9	61.2	61.7	64.3
Mortgages:				
Urban	3.5	4.5	5.8	6.7
Total	3.5	4.5	5.8	6.7
Policy loans	9.0	9.7	10.8	11.7
Stocks:				
(a) Preferred	12.7	13.5	9.3	6.8
(b) Common	4.3	5.3	5.8	6.6
Real estate	.1	.2	.3	.3
Other	6.5	5.6	6.3	3.6
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.58%
Consideration received from annuities, 1940	$ 35,495
Foreign business:	
Amt. in force, Dec. 31/40	1,270,828
New business effected	180,129
Death claims paid:	
1940	29,159
1939	54,086



"LA SAUVEGARDE"

Life Insurance Company

HEAD OFFICE: MONTREAL

— 1940 —

Total Income	$1,669,911
Paid to assured and beneficiaries	566,263
Assets	7,022,140
Surplus and Special Reserves	644,474
Insurance in force	48,541,932

1940

Another Record Year

Occidental Life Insurance Company, reporting its 1940 record of stewardship to its policyholders and to the public, records significant gains over 1939:

MORE	Life Insurance in Force: An increase of $29,196,786 in total policyholder protection, bringing life insurance in force to the new high mark of $519,339.495.	+ 5.96%
MORE	Assets: An increase of $7,535,180, bringing total assets to the new high mark of $73,448,041.	+11.43%
MORE	Premium Income: A new high premium income of $14,113,760, an increase of $1,404,946 over 1939.	+11.05%
MORE	Surplus: Capital funds and free surplus now stand at $4,035,256, an increase of $908,885 over 1939.	+29.07%
	Payments to policyholders amounted to $7,191,694—another new record—bringing the total of such payments since organization to $66,814,477.	

"More Peace of Mind per premium dollar"

CANADIAN HEAD OFFICE
Occidental Life
LONDON ☆ CANADA
W LOCKWOOD MILLER • General Manager

A SQUARE DEAL FOR YOU, YOUR PARTNER AND YOUR FAMILY

Suppose your partner dies first. His heirs will receive his interest in your business. Will that be satisfactory to you or to them?

A Great-West Life partnership insurance plan will provide you with sufficient funds to purchase your partner's interest in the business. You will become sole owner and his heirs will receive cash instead of responsibility. And if you should die first, your partner and your heirs will both get the same square deal.

Discuss your partnership arrangement with a Great-West Life man. Let him present a plan built to your individual needs and the special circumstances of your business.

The GREAT-WEST LIFE ASSURANCE COMPANY

HEAD OFFICE — WINNIPEG, CANADA

Canada Life

Canada's Oldest Company Shows Gain in Assets

Canada Life, Canada's oldest and second largest life insurance company, at the end of 1940 had total assets of $275.5 millions, an increase of $7.5 millions over the previous year and the highest in the company's history.

For the fifth successive year the company reported an increase in its own direct written business in force. This, however, was not sufficient to offset a reduction in the "in force" figures of reassurances received from other companies. "The net result," stated S. C. McEvenue, general manager, in his report, "is that life insurance in force at the end of 1940 totalled $805.7 millions. This figure does not include annuity business which each year has shown a substantial increase." The insurance in force at the end of the previous year was $810 millions.

The Canada Life, with head office at Toronto, began business in 1847. It writes business in Canada, Great Britain and Northern Island, Eire, nine states of the United States and Hawaii, Newfoundland, Bermuda and the Bahamas.

Investments

In the investment portfolio bonds constitute 64% of the whole, government bonds being 32% of the whole. The percentage of these bonds has shown an increase in recent years. Mortgage holdings on the other hand have been declining, as also have policy loans and holdings of stocks. The rate of interest earned in 1940 was 4.14% compared with 4.29% in the previous year.

Officers—
A. N. Mitchell, pres.; Leighton McCarthy, chm. of the board; E. R. Wood, R. A. Laidlaw and E. G. Baker, vice-pres.; H. C. Cox, chm. of the London board; S. C. McEvenue, gen. mgr.; L. K. File, chief actuary; W. J. Beattie, asst. gen. mgr.; E. C. Gill, asst. gen. mgr. and treas.; J. H. Domelle, sec.; S. J. Streight medical dir.; R. G. McDonald and R. J. Trenouth, supts.; J. D. Williamson and J. G. Beatty, actuaries; R. E. Woodcock, W. R. McConnell, A. H. Lemmon, asst. treas.; A. G. Dalrymple, H. N. Watt, J. M. Brown, asst. secs.; J. A. Roberts, asst. med. dir.; J. H. Romig, T. H. Gooch, asst. supts.; J. R. Gray, D. M. Ellis, asst. actuaries; W. J. Adams, comptroller; G. G. Daly, chief underwriter.

Directors—
Representing shareholders: A. N. Mitchell, Leighton McCarthy, K.C., H. C. Cox, E. R. Wood, C. A. Bogart, W. N. Tilley, K.C., R. A. Laidlaw, J. A. McLeod, all of Toronto; A. V. Davis, Pittsburgh; J. Stuart, Chicago.
Representing policyholders: E. G. Baker, J. M. Macdonnell, Sir Thomas White, all of Toronto; Hon. Charles Stewart, Ottawa; Aime Geoffrion, K.C., Montreal.

Field of Operations—
Canada, Great Britain and Northern Ireland, Eire, nine states of the U.S.A., Newfoundland, Bahamas, Bermuda and Hawaii. In the United States 14 branches are maintained, covering the following states: California, Illinois, Michigan, Minnesota, New York, Ohio, Oregon, Pennsylvania and Washington.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	1,000,000

Dividends on Capital Stock—
20% per annum.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	48,301,523	144,878	15,512
1917	62,580,337	183,017	21,369
1922	86,654,498	360,981	64,521
1927	140,580,678	769,982	148,492
1932	216,886,246	926,390	80,536
1936	252,513,476	814,132	57,036
1937	259,339,738	817,193	69,431
1938	265,894,243	814,935	64,968
1939	268,046,507	810,291	61,145
1940	275,583,490	805,704	62,000

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	31,436,247	631,688,647
(b) Non-partic.	1,449,155	47,419,215
(c) Paid-up additions	......	18,971,812
Group	3,585,135	107,625,244
Totals 1940	36,470,537	805,704,918
1939	38,898,051	810,291,141

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	32.6	30.2	28.1	29.3
Municipal	18.0	17.9	15.5	13.6
Other	13.8	13.5	17.3	16.5
Total	64.4	61.6	60.9	59.4
Mortgages:				
Farm	5.5	6.3	6.6	7.0
Urban	11.7	12.3	12.1	12.3
Total	17.2	18.6	18.7	19.3
Policy loans	7.7	8.3	9.4	10.2
Stocks:				
Preferred	2.7	2.7	3.0	2.7
Common	1.5	1.7	1.9	1.9
Real estate	4.6	5.2	5.4	5.5
Other	1.9	1.9	.7	1.0
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.14%
Consideration received from annuities, 1940	$ 4,538,287
Foreign business:	
(a) Amt. in force, Dec. 31/40	387,437,165
(b) New business effected	16,004,832
Death claims paid: 1940	6,949,078
1939	7,228,017

EST. 1825
THE
STANDARD LIFE
ASSURANCE COMPANY

maintains

Assets in Canada

greatly in excess of the reserves required by the Canadian Government

Established in Canada 1833

Head Office
3 George Street, Edinburgh

Head Office for Canada
391 St. James Street, Montreal

Branch Offices are maintained in the following Cities:
TORONTO, LONDON, OTTAWA and HAMILTON, Ont., MONTREAL, P.Q., FREDERICTON and SAINT JOHN, N.B., HALIFAX, N.S., and VANCOUVER, B.C.

"Nothing But Praise" for Promptness

ESTABLISHED 1907

"I have been a policyholder in The Protective Association of Canada for about 10 years . . . and have nothing but praise for the manner in which your company attends to claims made upon it."

This is a typical comment, received from a Kenora policyholder. Very privileged rates for indemnity against Sickness, Accident and Accidental Death is another outstanding advantage offered by The Protective Association of Granby exclusively to Masons. Write for details of Protective Excel and Duplex policies.

The
PROTECTIVE
ASSOCIATION
OF CANADA
HEAD OFFICE: GRANBY, QUE.

National Life

Total Assets Showed Increase in 1940

The National Life Asurance Co. has been operating in Canada under a federal charter since 1899. In that time the company has built up $62.1 millions of insurance in force and assets amounting to $13.4 millions. The company writes business in Bermuda and Jamaica as well as Canada.

According to the annual report the production of new ordinary insurance in 1940 was slightly below the level of the last year. The volume of ordinary business in force was stated to have shown a substantial increase. But a decline in group insurance affected both the total of new insurance effected and the total amount in force.

Of the invested assets at Dec. 31 almost 66% are shown to be in government, municipal and other bonds. This is a slightly lower proportion than for several years past, the decline being due to a reduction in holdings of municipal bonds as government and other bonds were higher. Mortgage holdings increased over 3%. New money invested in 1940 was placed mainly in Dominion, provincial and corporation bonds, preferred stocks and urban mortgages. The rate of interest earned was 4.83% compared with 4.74% in 1939. During 1940 $734,550 was paid to living policyholders, annuitants, etc.

Officers—
H. R. Bain, pres.; Robt. Fennell, K.C., vice-pres.; G. Fay Davies, gen. mgr.; M. W. McCutcheon, asst. gen. mgr. and sec.; J. P. Dandy, F.A.S., F.A.I.A., actuary, R. M. Huestis, supervisor of agencies; H. M. S. Tait, M.D., med. referee.

Directors—
Representing shareholders: H. R. Bain, Robt. Fennell, K.C., Col. the Hon. Herbert A. Bruce, M.D., LL.D., Toronto; the Hon. Eric W. Hamber, Victoria; the Hon. D. O. L'Esperance, Quebec; Fraser D. Reid, Toronto.
Representing policyholders: A. H. Beaton, K.C., D. H. Gibson, Toronto; Lt.-Col. S. C. Oland, Halifax; A. A. Aitken, Montreal.

Field of Operations—
Canada, Bermuda and Jamaica.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	250,000

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	2,093,281	18,403	5,379
1917	3,755,420	22,687	4,338
1922	6,155,137	37,129	7,341
1927	8,477,959	48,890	10,332
1932	11,433,390	59,094	8,539
1936	12,035,660	56,324	*7,343
1937	12,238,320	58,038	*6,952
1938	12,280,644	59,194	6,448
1939	12,847,105	62,360	8,949
1940	13,444,346	62,119	5,916

*On settled-for basis.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	4,084,520	35,909,955
Non-participating	1,831,622	23,239,282
Group	......	1,713,922
Totals 1940	5,916,142	60,863,159
1939	8,949,153	61,129,935

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	23.61	22.40	18.68	16.76
Municipal	25.76	30.75	36.82	43.89
Other	16.33	14.36	11.00	6.22
Total	65.70	67.51	66.50	66.87
Mortgages:				
Urban	6.76	4.33	2.31	.32
Policy loans	13.43	13.93	15.16	15.56
Stocks:				
Preferred	1.67	1.60	2.63	2.35
Common	6.61	7.94	8.77	9.67
Real estate	3.02	3.20	3.44	3.50
Other	2.81	1.49	1.19	1.73
Total	100.00	100.00	100.00	100.00

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.83%
Consideration received from annuities, 1940	$ 71,348
Foreign business:	
Amount in force, Dec. 31/40	5,553,871
New business effected	556,615
Death claims paid: 1940	347,106
1939	339,921

Maritime Life

Business in force with the Maritime Life Assurance Co. at the end of 1940, exclusive of deferred annuities, was $17.7 millions, about $800,000 more than in the previous year. Assets also were higher at $3.3 millions, while new insurance effected exclusive of deferred annuities was slightly lower at $1.7 million.

The company's head office is at Halifax. It began business in 1924 under Dominion license.

New money invested during the year was placed mostly in corporation first mortgage bonds and preferred and common stocks.

Officers—
Hon. E. A. Reilly, K.C., chm. of board; J. G. MacDougall, M.D., pres.; H. R. Silver, vice-pres.; Bernard Lockwood, F.I.A., F.F.A., A.I.A., A.A.S., gen. mgr.; C. J. Woods, actuary; Lillian Martin, sec.

Directors—
Hon. E. A. Reilly, K.C., Moncton; J. G. MacDougall, M.D., H. R. Silver, R. B. Colwell, G. H. Murphy, M.D., J. H. Winfield, all of Halifax; Hon. Senator F. B. Black, Sackville; W. F. Fraser, New Glasgow; J. D. McKenna, Saint John; W. H. Miller, Campbellton; Dr. J. L. McIsaac, M.L.A., Antigonish; Red Hugh McLean, Saint John.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	250,000

Dividends to Shareholders — 3% paid in 1937, 1938 and 1939. 3% in 1940, paid Feb. 15, 1940. 3% paid each year Feb. 15, 1936/7/8/9, 3% Feb. 15, 1940, 3% Feb. 15, 1941.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1933	1,497,834	12,217	1,412
1934	1,675,117	12,665	1,863
1935	1,877,067	13,208	1,811
1936	2,121,240	14,115	1,979
1937	2,371,808	*15,494	*2,272
1938	2,686,769	*16,865	*2,448
1939	2,992,072	**16,886	**1,905
1940	3,311,586	**17,716	**1,750

*Including deferred annuities.
**Exclusive of deferred annuities.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Non-partic	1,717,589	17,584,173
Group	32,500	132,000
Totals 1940	1,750,089	17,716,173
1939	1,905,187	16,886,291

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	18.91	28.73	29.59	31.1
Municipal	16.74			
Other	25.59	27.95	28.92	29.2
Total	61.24	56.68	58.51	60.3
Mortgages:				
Urban	6.85	8.57	8.91	10.8
Total	6.85			
Policy loans	7.20	7.11	7.52	8.0
Stocks:				
Preferred	6.00	6.60	6.27	3.6
Common	9.75	10.00	10.20	8.9
Real estate	.38	.42	.48	0.5
Other	8.58	10.58	8.10	7.9
Total	100	100	100	100

(1939–1937 bond figures for Government and Municipal are bracketed together.)

Int. earned on invested assets, 1940 (on net mean ledger assets as reported to Dom. dept. of insurance)	4.89%
Consideration received from annuities, 1940	$ 23,076
Foreign business:	
Amount in force, Dec. 31/40	4,175,933
New business effected	74,882
Gross death claims paid, 1940	100,164
1939	68,627

Mutual of Canada

Total Assets and Insurance in Force Show Gains — New Business Higher

Mutual Life Assurance Co. of Canada had insurance in force amounting to $586 millions at the end of 1940. This was a gain of almost $14 millions over the previous year. Assets also were higher, reaching $196 millions.

The Mutual Life of Canada was organized in 1869 under an Ontario Charter. It was originally incorporated as the Ontario Mutual Life Assurance Co., a condition of organization being that at least 500 prospective policyholders pledged themselves to take out policies of $1,000 each, thus providing $500,000 business in force at the outset.

This was accomplished by February, 1870. Eight years later a Dominion Charter was issued.

In 1900 the name was changed to the present title. In 1929 the company started a policy of moderate expansion by obtaining a license in New York State which was followed by a similar license in Bermuda in 1930. The great majority of the business, however, is written in Canada.

The company writes life, endowment and term insurance on all standard forms, including double indemnity benefits and premium waiver disability benefits. Non-participating insurance is written but by far the great proportion of the policies issued are participating on the annual dividend plan.

In 1940, new business written including increases but excluding revivals was $45.6 millions or slightly above the previous year. If increases as well as revivals are excluded the total was $43.3 millions or slightly lower than in the previous year.

The company's investment portfolio shows 40% of total invested assets to be in government bonds. Bond investments generally are almost 60% of the total. This proportion has been increasing steadily in recent years. Mortgage holdings, on the other hand, have been declining, especially farm mortgages. The decrease in urban mortgages has not been so marked. Policy loans have likewise been declining in recent years. Holdings of common stocks showed a small gain during 1940. The rate of interest earned on invested assets in 1940 was 4.62% compared with 4.68% in the previous year.

New money invested during the year was largely placed in government bonds, some common stocks and mortgages on high-grade urban real estate. The company invested $8 millions in the two war loans during the year. The amount paid to living policyholders and annuitants during the year was $1.8 millions.

Officers—
R. O. McCulloch, pres.; L. L. Lang, 1st vice-pres.; Major Gen. Hon. S. C. Mewburn, K.C., 2nd vice-pres.; W. H. Somerville, gen. mgr.; A. E. Pequegnat, asst. gen. mgr.; H. M. Cook, sec.; J. M. Laing, actuary; H. Holmes, assoc. actuary; H. L. Guy, treas.; W. Carlisle, supt. of agencies; J. M. Livingston, M.D., medical dir.

Directors—
R. O. McCulloch, Galt; L. L. Lang, Kitchener; C. H. Houson, Chatham; W. G. Watson, Glyn Osler, K.C., W. B. Powell, Hamilton; J. Y. Murdoch, K.C., Toronto; Maj. Gen. S. C. Mewburn, K.C., Hamilton, J. Fred Fraser, Halifax; Isaac Pitblado, K.C., Winnipeg; W. G. Murrin, Vancouver; J. E. Perrault, K.C., Montreal; C. F. Sise, Montreal; W. H. Somerville, Waterloo; G. Blair Gordon, Montreal.

Field of Operations—
Canada, Newfoundland, Bermuda and New York State.

Capital—
None.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	20,071,345	77,921	10,712
1917	32,165,432	123,511	20,673
1922	53,605,630	246,487	31,062
1927	89,233,343	386,712	49,535
1932	132,198,393	517,968	44,039
1936	161,106,208	537,895	*44,472
1937	169,887,078	550,578	*44,697
1938	178,977,223	559,110	*44,857
1939	187,636,589	572,110	*45,527
1940	196,605,418	586,019	*45,615

*Excluding annuities, 1936 to 1940 figures include increases but not revivals.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	35,658,253	546,881,255
Non-participating	2,150,499	14,722,163
Group	5,586,896	24,415,974
Totals 1940	43,395,648	586,019,392
1939	44,283,045	572,110,532

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	39.9	36.4	34.9	32.4
Municipal	10.4	11.1	10.8	11.5
Other	9.4	10.4	10.7	10.6
Total	59.7	57.9	56.4	54.5
Mortgages:				
Farm	3.8	4.1	4.4	4.9
Urban	15.4	15.6	16.2	17.2
Total	19.2	19.7	20.6	22.1
Policy loans	13.1	14.1	15.4	16.6
Stocks:				
Preferred	1.0	1.1	.9	.8
Common	3.6	3.3	2.8	2.4
Real estate	2.7	2.9	2.9	3.1
Other	.7	1.0	1.0	.5
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.62%
Consideration received from annuities, 1940	$ 942,979
Foreign business:	
Amount in force, Dec. 31/40	21,331,099
New business effected	1,733,160
Death claims paid: 1939	3,622,211
1940	4,231,255

Prudential of America

Gains in insurance in force, new insurance effected and total assets are shown by the Prudential Insurance Co. of America on its Canadian business in 1940.

Insurance in force in Canada at Dec. 31, 1940, stood at $547.9 millions, up $7.4 millions from the previous year, while assets at $116.5 millions were also higher. Insurance effected was up about $3.5 millions.

Total business in force with the company in its entire operations at $18.6 billions was about $540 millions higher on the year with new insurance effected also higher.

The Prudential of America began business in the United States in 1875. It was first incorporated as the Widows' and Orphans' Friendly Society in New Jersey.

The name was changed to the Prudential Friendly Society in 1877. It began business in Canada in 1909.

Head Office—Newark, New Jersey.

Canadian Officers—
H. P. Douglas, mgr. (ordinary bus.) for Quebec and chief agent for Canada, with head office in Montreal; A. R. Traynor, Dominion supervisor for company's industrial agencies which are operated in all parts of Canada.

Growth of Business in Canada

Year	Assets $	Business in Force ($ 000)	New Ins. *Effected ($ 000)
1936	101,507,321	506,257	72,086
1937	101,701,964	521,230	72,879
1938	109,866,509	524,939	61,564
1939	116,120,210	530,518	57,718
1940	116,532,628	547,957	61,280

Entire Operations

Total admitted assets, 1940	$ 4,263,955,113
Total bus. in force, Dec. 31/40	18,628,243,738
‡*Total new ins. paid-for incl. rev. & increases effected 1940	1,951,300,260

	1940	1939	1938	1937
♦Interest earned (%)	3.77	3.93	3.92	4.09

‡Issued, accepted and paid for, exclusive of increases, revivals and annuities.
♦On mean net ledger assets as reported to Dominion dept. of insurance.
*Net increase in group life insurance.

Northern

New Insurance and Insurance in Force Up

The Northern Life Assurance Co. with head office at London, Canada, in 1940 showed gains in business in force, new insurance written and assets. The company began business in 1897 under Dominion charter.

At Dec. 31 it showed business in force of $51.9 millions of which 49.2 millions was ordinary insurance and $2.7 millions group. The increase in new insurance effected occurred partly in ordinary and partly in the group department.

Officers—
R. G. Ivey, K.C., pres.; W. E. Robinson, vice-pres.; G. W. Geddes, F.A.S., gen. mgr.; C. C. Martin, sup't. agencies; N. L. Sharpe, F.A.S., actuary; R. C. Balfour, sec.

Directors—
Representing shareholders—R. G. Ivey, Ray Lawson, J. E. McConnell, W. E. Robinson, F. A. McCormick, Septimus Thompson, M.D., all of London.
Representing policyholders—J. S. Moore, Major G. J. Ingram, J. G. Thompson, London.

Capital—Authorized	$1,000,000
Subscribed	1,000,000
Paid-up	250,000

Dividends to Shareholders — None being paid.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	1,810,228	9,007	2,205
1917	3,090,779	12,437	3,298
1922	4,495,263	30,464	9,644
1927	6,288,065	44,821	17,037
1932	8,820,622	48,854	4,157
1936	10,118,721	44,712	*5,725
1937	10,322,735	46,382	*5,838
1938	10,969,692	48,620	6,047
1939	11,367,453	50,030	*5,495
1940	11,714,176	51,981	*6,301

*Includes commuted value of deferred annuities.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating / Non-participating	5,505,385	49,257,460
Group	795,500	2,723,250
Totals 1940	6,300,885	51,980,710
1939	5,494,672	50,030,048

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	21.33	17.24	16.89	11.84
Municipal	6.86	4.91	6.12	7.73
Other	6.82	6.70	5.80	6.86
Total	35.01	28.85	28.81	26.43
Mortgages: Farm / Urban	33.22	37.98	40.97	43.17
Policy loans	13.87	14.96	16.16	16.94
Stocks:				
Preferred	.80	.90	1.55	1.77
Common	5.03	4.83	4.45	3.71
Real estate	5.28	5.81	5.64	6.71
Other	4.79	6.67	2.42	1.27
Total	29.77	33.17	30.22	30.40

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.47%
Consideration received from annuities, 1940	$ 71,670
Death claims paid: 1940	328,843
1939	274,668

Empire Life

The Empire Life Insurance Co. at the end of 1940 had business in force of $38.6 millions with total assets of $10.1 millions.

The company was incorporated and began business in 1923 with head office at Toronto. In 1929 it took over the Commonwealth Life and Accident Insurance Co. of Hamilton. In 1936 it absorbed the assets and business of the Mutual Relief Life Insurance Co. of Kingston and the Empire Life moved its head office to Kingston.

New insurance written in 1940 was slightly higher than in the previous year.

Cash income from all sources in 1940 was $1.5 million, out of which was paid $747,009 on policy contracts. Payments to living policyholders, annuitants, etc., was $253,604.

Officers—
C. P. Fell, pres.; G. J. Guy, 1st vice-pres.; G. M. Orr, 2nd vice-pres.; L. T. Boyd, gen. mgr.; H. H. Blakeman, actuary; J. R. Paterson, treas.; J. S. Delahaye, medical referee.

Directors—
C. P. Fell, A. H. Keith Russell, George M. Orr, D. R. McLaughlin, Newman A. Fairhead, of Toronto; D. W. McCormick, Galt; George J. Guy, Hamilton; J. M. Campbell and A. Bruce Matthews.

Growth of Business

Year	Assets $	Business in Force ($ 000)	Issued & Revived ($ 000)
1930	1,878,298	20,117	4,832
1932	2,353,794	17,044	2,546
1935	3,251,506	17,282	2,759
1936	8,632,363	34,557	4,304
1937	8,950,249	35,525	4,421
1938	9,400,123	37,917	*5,226
1939	9,852,440	38,115	*3,902
1940	10,131,642	38,683	*3,952

*Excluding increases and revived policies and annuities.

Classes of business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	3,476,230	18,981,711
Non-partic.	446,072	19,677,911
Group	29,500	23,000
Totals 1940	3,951,802	38,682,622
1939	3,902,000	38,115,000

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	20.4	16.4	...	...
Municipal	15.5	16.3	...	...
Other	26.6	23.7	...	...
Total	62.5	56.4	57.9	57.9
Mortgages:				
Urban	14.5	...	...	...
Total	14.5	17.5	15.4	13.9
Policy loans	8.9	9.2	9.4	9.1
Stocks: Preferred / Common	8.5	8.8	10.8	12.3
Real estate	4.7	5.1	5.6	5.5
Other	0.9	3.0	0.9	1.3
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance)	4.86%
Consideration received from annuities, 1940	$ 72,303
Death claims paid, 1940	450,041
1939	504,447

Fire Insurance

Most Business Needs Burglary Insurance

Frequent Holdups in Stores and Offices Point to Desirability of Ensuring Indemnity Against Loss

The staff of a well-to-do tailor shop in an Ontario city was working as usual. Just about noon four masked men entered and at the point of their guns ordered everybody to lie down on the floor. One entered the manager's office and held him covered, another went to the till and then to the open safe. In a few minutes they had gathered up several hundred dollars and departed. The thieves were apprehended some days after but the money was gone and there was nothing to recompense the tailor, who was financially crippled for some time after.

Insurance Protection

There is one way of making sure that a loss sustained under such circumstances will be made good and that is by taking out burglary and robbery insurance.

There are a number of coverages which may be had but one of three standard forms is likely to meet the needs of the average business firm. These three forms are the combination robbery and safe burglary, storekeeper's burglary and robbery, and the combined paymaster, messenger, and office and store robbery policies.

The first contract gives protection against loss of money, securities and merchandise. It is characterized as giving four-point coverage, because it mentions four specific happenings against which it will indemnify.

They are:

Robbery from a custodian within the premises or by stealing from a show window while premises are open if window glass is broken.

Robbery outside the premises.

Burglary of a safe on the premises.

Damage, except by fire, to property and premises including furniture, fixtures and equipment caused by robbery or burglary or an attempt thereat.

Limit of $250

The second contract available can be written for most business firms except gasoline stations, garages, druggists and jewellers. It gives a broad coverage for a limited amount at a premium rated to be well within the range of the average place of business. Thus the amount of loss for which the insured person would be indemnified is limited to a stated amount, usually $250. The various risks covered are as follows:

Holdup of proprietor, clerks, cashiers or other employees inside or outside the premises.

Loss resulting if the insured or his employee is kidnapped and forced to give information to assist robbers.

Robbery of cash, securities or merchandise from a safe or vault in the premises or if the safe itself is removed by burglars.

Loss of money and securities while in residence of custodian overnight or in a night depository in a bank if caused by burglary.

Fuller Coverage

Loss of merchandise or other property from within the premises when not open for business if loss is caused by burglary. The limit for cigars, cigarettes, tobacco, fountain pens, alcoholic beverages and narcotics in such cases is $50.

Damage to property by burglary and robbery or attempt thereat.

As the coverage afforded by this policy would not be sufficient for larger firms, the combined paymaster, messenger and store robbery policy is provided. It covers:

Loss of or damage to money, securities or merchandise caused by robbery or attempted robbery on the premises or from a custodian outside the premises.

Loss of the insured property, including furniture and fixtures, due to robbery within the premises.

Loss when the person in charge is compelled by a threat of violence to give admittance to the premises.

For all loss caused by stealing from any show window while the premises are open for business by a person who has broken the window glass from the outside.

Payroll funds can be protected readily by this policy.

North American Life

Increases in new insurance effected, insurance in force, and total assets are shown by the North American Life, at the end of 1940 compared with 1939. At Dec. 31, business in force exclusive of annuities was $226.5 millions, up $7 millions from the previous year. Assets at $67.9 millions were $2.9 millions higher and new insurance effected at $23.3 millions was $1.1 million up.

The North American Life was established as a mutual company under a federal charter in 1879. It was not operated as a mutual concern, however, until 1931, a change having been made between the time of the company's organization and its starting to write business. In 1931 it was mutualized. To do this the shareholders were refunded the approximate value of their stock which involved in the aggregate a consideration of $1,275,000. The company's head office is at Toronto.

The company's investments in recent years have shown an increasing percentage of bonds. Mortgages have been declining. The rate of interest earned in 1940 was 4.63% compared with 4.68% in 1939.

Officers—
D. E. Kilgour, pres. and gen. mgr.; Frank A. Rolph (chairman of board); A. J. Mitchell and C. L. Burton, vice-presidents; Wm. Anderson, asst. gen. mgr.; E. J. Harvey, chm. of Agency Executive; W. G. Gallow, sec.; A. F. Hall, actuary; M. A. Bradshaw, treas.; J. A. McCamus, gen. supt. of agencies; E. H. Hanley, supt. of agencies; T. M. Sargant, agency auditor; J. T. Bryden, asst. treas.; J. F. Wells, registrar; W. J. Burgar, asst. sec.; George Ryrie, asst. act.; T. D. Archibald, med. dir.; J. G. Falconer, asst. med. dir.

Directors—
D. E. Kilgour, Frank A. Rolph, A. J. Mitchell, C. L. Burton, H. J. Humphrey, A. G. Partridge, W. B. Woods, F. S. Corrigan, Hon. G. S. Henry, N. S. Robertson, Toronto; G. H. A. Montgomery, K.C., Montreal; Hon. L. A. Taschereau, Quebec, P.Q.; E. W. Kneeland, Winnipeg; Christopher Spencer, Vancouver; W. E. Buckingham, K.C., Guelph.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1929	42,135,402	186,281	25,119
1934	48,613,307	182,202	17,068
1936	54,845,907	193,561	21,949
1937	58,586,179	202,650	22,653
1938	61,794,564	211,275	23,259
1939	65,061,883	219,000	22,252
1940	67,969,282	226,533	23,338

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Totals 1940	23,338,000	226,533,000
1939	22,338,000	219,060,000

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	30.8	29.5	28.6	28.2
Municipal	14.4	15.2	15.8	15.3
Other	15.1	14.3	13.3	13.1
Total	60.3	59.0	57.7	56.6
Mortgages:				
Farm	1.6	2.0	2.2	2.6
Urban	17.6	17.5	17.4	17.1
Total	19.2	19.5	19.6	19.7
Policy loans	10.6	11.4	12.6	13.3
Stocks:				
Preferred	2.6	2.0	2.1	2.2
Common	2.7	3.5	3.8	4.0
Real estate	2.7	3.1	2.4	3.3
Other	.9	1.4	.9	.7
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion Department of Insce.)	4.63%
Foreign business:	
(a) Amt. in force, Dec. 31/40	$11,120,656
(b) new business effected	1,292,634
Death claims paid: 1940	1,772,705
1939	1,299,164

Addition Reviews Life Insurance Page 23

FIRE INSURANCE WITH *Dividends* YEAR AFTER YEAR

Under the Northwestern Mutual plan, dividends paid policyholders in 1940 totalled $1,463,589. Since organization over $27,900,000 has been returned to policyholders.

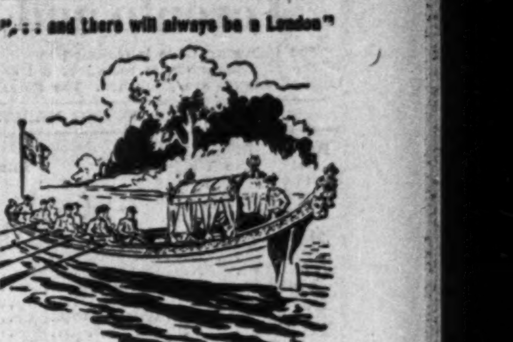
NORTHWESTERN
MUTUAL FIRE ASSOCIATION
CANADIAN HEAD OFFICE · VANCOUVER

The
WAWANESA
Mutual Insurance Company
Organized in 1896

Assets	$2,894,436.70
Surplus	1,513,855.65
Dominion Gov't Deposit	1,041,353.86

Write for Financial Statement
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

"... and there will always be a London"



London through the centuries discovered and developed many notable refinements in the art of living. Among the achievements for which all men should be grateful are the famous "London Mixtures" which West End tobacconists evolved to make perfect the pleasures of pipe smoking. Piccadilly is London's gift to Canadian pipe smokers. Try Piccadilly in the distinguished new pouch.

Piccadilly
LONDON
SMOKING MIXTURE
MILD

United States
Fidelity & Guaranty
Company
TORONTO

HOME
ASSURANCE
COMPANY OF CANADA
Head Office:
Lancaster Bldg., Calgary
FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE
Application for Agencies Invited.

Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
SERVICE SAVING SECURITY
Fire and Allied Lines Written in Associated Companies
LUMBERMENS MUTUAL Casualty Company
VANCE C SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO

DAMAGE TO HOUSE . . .
$2000.00—*Insured*
DAMAGE TO CONTENTS . . .
$1275.00—*Not Insured*

They were buying their own home. *"No need to worry,"* they thought, *"We're well covered by Insurance"*. But when fire unexpectedly struck, it was the contents which suffered heaviest. This is often the case, for some people either do not insure at all, or seriously *underinsure* their furniture, clothing, prized possessions, etc. Consult your British Northwestern agent—he will show how *economically* you can be *fully* protected.

British Northwestern
FIRE INSURANCE COMPANY
HEAD OFFICE FOR CANADA: 217 BAY ST., TORONTO
J. H. Riddel, *Managing Director* V. G. Creber, *Asst. Manager*
A. C. Ruby, *Br. Mgr.*, WINNIPEG M. Nevill, *Br. Mgr.*, VANCOUVER

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING MARCH 10

Range 1941 High	Low	Div R'te $	Mar.8 Y'ld %		Sales	Last Mar. 3	Week end. Mar. 10 H	L	Cl'se
				A					
.90	.55	*	...	Abitibi	2905	.65	.75	.55	.70
8	4	*	...	Do. pref. 6%	550	5¼	5¼	5	5¼
12¾	10	*	...	Do. pref. 7%	....	(7 bid 12¼ asked)			
2	1	*	...	Acme Glove	....	(1 bid 3 asked)			
51	50	6.50	12.7	Do. pref.	....	(53 bid 65 asked)			
11¼	11¼	80+20c	8.7	Agnew Surp.	....	(11¼ bid 12 asked)			
108	107	7	6.5	Do. pref.	....	(107 bid — asked)			
1.50	1.25	*	...	Alta. Pac. Gr.	....	1.10 bid 1.60 asked			
30	25	*	...	Do. pref.	1	25	30	30	30
[illegible]									

Range 1941 High	Low	Div R'te $	Mar.8 Y'ld %		Sales	Last Mar. 3	Week end. Mar. 10 H	L	Cl'se
9	4¼	*	...	Fraser Cos.	3	4¼	5	[illegible]	[illegible]
10¼	7	*	...	Do. Vot. Tr.	1135	8	8¼	[illegible]	[illegible]
1.50	.50	*	...	Freiman	....	(.50 bid — asked)			
42	41	*	...	Do. pref.	....	(38 bid — asked)			
9¾	6¼	80c	10.2	Gatineau Pwr.	186	7¼	7¾	[illegible]	[illegible]
90	79¼	5	6.2	Do. pref.	81	79¼	81	[illegible]	[illegible]
95¼	92	5.50	5.3	Do. 5½% pref.	....	(85 bid 92 asked)			
1.25	.35	*	...	Do. Rights	....	(.05 bid .95 asked)			
6¼	4¼	*	...	Gen. St. Wares.	345	5	5	[illegible]	[illegible]
94	88	7	7.9	Do. pref.	70	89	88	[illegible]	[illegible]
80	70	2.50+1.50		Goodyear Tire	120	70	70¼	[illegible]	[illegible]
56	53¼	2.50	4.6	Do. pref.	15	54¼	54¼	[illegible]	[illegible]
*50	50	47	...	Gould Pumps, p	....	(— bid — asked)			
[illegible]									

Sections B; C; D, E; F, G; H, I; J, K, L; M; N, O; P, Q, R; S; T, U, V; W, Y, Z: [illegible]

Quotations: ‡ 1940. * 1939. ° 1938.
* On account of arrears. ¶ Paid in 1940.
† Plus extra of $2 paid Feb. 1, 1941. * Participating.
° Plus stock div. of $1.50.

Mining Stocks

Week Ending March 10

Sections A; B; C; D, E; F, G; H, I, J; K, L; M; N, O; P, Q, R; S, T, U, V, W, Y: [illegible]

*Quotations for 1940.

Oil Stocks

[illegible]

Vancouver Stocks

[illegible]

Oil Quotations

[illegible]

Winnipeg Stocks

(Transactions from Mar. 2 to Mar. 8)

	Sales	High for period	Low for period	Close Mar. 8
Federal Grain, pfd.	10	26.00	26.00	26.00
Great-West Life	5	205.00	205.00	205.00
Northern Trusts	10	7.50	7.50	7.50
United Grain Growers	13	9.00	9.00	9.00
Wings	100	.40	.40	.40
Wingold	2,200	.09	.07½	.07½

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Dom. Envelope, p	91	97½
Beaver Lumber c	..	4	Home Invest.	13	..
Beav. Lumber, p	102	..	Nor. Can. Mtg. p.	5	..
Can. Airways	1	..	Traders Bldg.	43	..
Can. Indemnity	150	..	West. Brew.	1¾	2
Cres. Cream., p.	11½	15	West. Grain, p.	..	7
Dom. Envelope, c	8½	..	West. Steel	5¾	7½

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Mar. 11	7,100	3,200+	159,000	......
Mar. 10	10 500	3,000	183,000	......
Mar. 8	4,500	1,200	83,000	12,460
Mar. 7	6,900	12,800	230,000	12,000
Mar. 6	5,500	6,200	201,000	23,347
Mar. 5	2,500	4,800	175,000	14,750

Government Bonds

Dominion of Canada Bonds (Supplied by Investment Dealers' Assoc. of Canada)

Dominion of Canada Bonds Mar. 11, 1941

%	Due	Bid	Ask.	Approx. Yld.
5	Nov. '41	102¾	102¾	.89
1¼	May '42	100¼	100¾	.92
2	June '42	100¾	101¼	.91
3	Oct. '42	102¼	103	1.12
2¼	June '43	102	102¾	1.25
5	Oct. '43	108	108¾	1.63
2	June '44	101	101¾	1.45
a2¼	Jan. '44	94¼	95¼‡	3.82
4½	Oct. '44	108¾	109¼	1.81
2½	Nov. '44	102	102¾	1.74
a2¼	Aug. '45	91¼	92¼‡	4.40
4	Oct. '45	105¼	106	b1.69
4½	Feb. '46	109¾	110¼	2.24
3¼	June '49	102¼	103¼	b2.59
3¼	Oct. '49	103	103¾	b2.42
3¼	Nov. '51	101	101¾	b3.00
3¼	Feb. '52	101¼	102	b2.94
a5	May '52	98¼	99¼‡	5.06
4	Oct. '52	105¾	106¼	b2.94
3	Oct. '52	98¼	99¼	3.07
3	June '55	98¼	99¼	3.07
4½	Nov. '56	107¾	108¼	b2.90
4½	Nov. '57	108¼	109	b3.00
3	June '58	98	98¾	3.09
4½	Nov. '58	109	109¾	b3.06
4½	Nov. '59	109¼	110¼	b3.09
a4	Oct. '60	90¼	91¼‡	4.66
a3¼	Jan. '61	81¾	83¼‡	4.53
3¼	June '66	100¼	101	b3.17
a3e	Jan. '67	79¾	81‡	4.21
a3e	Nov. '68	79¾	81‡	4.15
†3	Perpet'l.	90¼	91¼	3.29
Dominion Guarant'd Bonds Can. Nat'l. Railways:				
2	Feb. '43	100¾	101¼	1.24
2¼	Jan. '46	100¼	101¼	1.99
3	May '44	103	104	1.71
3	Dec. '50	99	100	3.00
3	Feb. '53	98¼	99¼	3.07
3	Jan. '59	96¾	97¾	3.16
*4½	Sept. '51	114	115	2.84
*4½	Feb. '56	114	115	3.23

%	Due	Bid	Ask.	Approx. Yld.
4½	July '57	115	116	3.24
*4½	June '55	116¼	117¼	3.23
5	Feb. '34	117	118	3.29
*5e	July '69	114	115	b1.80
*5e	Oct. '69	118	119	b2.99
*5e	Feb. '70	118	119	b3.08
Grand Trunk Pacific Rly.:				
3	Jan. '62	98¼	99¼	3.05
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	87¼	89¼	4.20
3¼	Aug. '49	91	92	4.40
3¼	June '56	91	93	4.11
c4	Nov. '47	96¼	98	4.35
c4½	Apr. '61	98¼	99¼	4.54
c5	Jan. '60	103	105	4.60
Nova Scotia:				
3	Jan. '32	93¼	94¼	3.61
3¼	June '56	93¼	94¼	3.72
*3¼	Nov. '50	97¾	98¾	3.65
c4½	Sept. '52	106	107	b3.31
c4½	Nov. '60	108	110	3.79
c5	Mar. '60	114	116	3.83
Ontario:				
2¼	May '45	100	101	2.25
3	Apr. '48	99	100	3.00
3	Nov. '30	98¼	99¼	3.06
3¼	Nov. '51	100	101	b3.12
3¼	May '55	99¾	100¾	b3.17
*4	June '62	106¼	108¼	3.44
4½	June '50	109¼	110¼	3.18
*4½	Jan. '62	113	115	3.49
5	Oct. '48	111¼	112¼	3.15
*5	Dec. '60	119¼	121¼	3.50
5¼	July '46	111¾	112¾	2.90
Ont. Hydro Commission:				
3	Aug. '48	99	100	3.00
3¼	Feb. '53	100	101	b3.12
3¼	Apr. '47	102	103	2.95
Prince Edward Island:				
3	Oct. '45	95	97	3.69
Quebec:				
3	Nov. '47	95	96	3.68
3¼	Mar. '48	95¼	96¼	3.82

%	Due	Bid	Ask.	Approx. Yld.
3¼	Mar. '50	92	93¼	4.01
3¼	Feb. '55	96¼	97¼	4.01
4	Mar. '52	99¼	100¼	b3.97
4½	Aug. '58	101	103	4.01
4½	Jan. '63	104	106	4.09
Alberta:				
4	Dec. '54	53	57	d
4½	Oct. '51	65¼	69¼	d
c4½	Oct. '56	55	59	d
*5	Oct. '59	57¼	61¼	d
c5¼	Apr. '52	62	66	d
6	Mar. '47	65¼	69¼	d
British Columbia:				
c4	Dec. '57	96	101	3.92
*4½	Jan. '51	99	103	4.12
c4½	Oct. '53	99	103	4.20
c5	Apr. '54	102¼	106¼	4.23
5¼	Feb. '45	101	105	4.23
6	Feb. '47	104	108	4.46
Manitoba:				
c4	Dec. '57	88	92	4.99
c4½	Dec. '56	90	94	5.05
*5	Dec. '59	94	98	5.18
5¼	Oct. '55	94¼	98¼	5.65
6	Apr. '47	98	102	5.60
Saskatchewan:				
4	Sept. '54	67¼	71¼	7.28
4	Nov. '60	66	70	6.75
c4½	Oct. '51	79¼	84¼	6.30
c4½	Mar. '60	72	77	6.65
5	Aug. '58	75	80	7.06
5¼	Oct. '52	80	85	7.40
6	Mar. '52	84	89	7.48

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds.

Unlisted Stocks

(Furnished by A J Pattison, Jr. & Co., Toronto)

Mar. 11, 1941

Industrials:	Bid	Ask.
Acme Farm. D.	30	35
Andian National	26¼	27¼
Anglo C. Tel., A	8¼	8¼
Atlas Steel	21	25
Barrymore, pfd.	28	..
Blue T. Brew. A	8¼	10
Do., B	6	7¼
B. C. Pulp, c.	13¼	15¼
Do., pfd.	62	68
B. C. Sugar	73	75
B. C. Tel., 1st p.	112	117
Burns & Co., A	3¼	4¼
Do., B	2¼	3¼
Can. Col. Air.	3¼	4
Can. Co-op. Wl.	8	..
C. I. L., A c.	191	201
Can. Ing. Rand	77	82¼
Can. Mot. L.A.B.	2¾	..
Can. Tube, 1st p	90	..
Can. West'ghouse	43	45
Chase, A. W., p.	18¼	20
Claude Neon, p.	5	6
Colonial Steam.	12	15
Dom. Manuf., p.	60	66
Dunlop T. p. $25	23	24¼
East. Steel, pf.	20	21¼
Easy Wash. p $10	9¾	11¼
Goderich Elev.	7	7¾
Guard. Realty, p	15	17
Guelph Carp., c.	20	23¼
Gurney Fdry., p.	1	1¾
Hayes Steel, c.	9	9¾
Hi'land Dairy, p	48	55
Homewood San.	100	120
Ingram & Bell	27	31
Kingst. Ship. un	25	30
Loblaw Inc., c.	12	13
M'row Screw, p.	99	..
Do., com.	10	11¾
Morrison Br. un.	4¼	6¼

	Bid	Ask.
N. B. Tel., c.	10¼	12¼
Neilson, Wm., c.	9¼	..
Do., pfd.	100	..
N. Meth. Ldy. p	52	56
Ont. Tobacco, p.	17	20
Pac. C. Term., c.	9¼	10¾
Paterson, Wm. p	103	..
Prov. Paper, pfd	105¼	107
Ruddy, E. L., p.	23¼	26
Stand. Fuel, p.	59	62
Stedman, pf. $50	56	58
Tor. Carpet, c.	39	..
Do., pfd.	64	68
Un. F. Co-op.	2¼	3¼
Un. Steel, A pf.	22	23¾
Viceroy Mfg., p.	24¼	25¼
Do., com.	12	15
Westons Hold.	2¼	..
Trusts & Loan Stocks:		
Brit. Mtge.	125	135
Brockville Tr.	41	..
Capital Tr.	28	32
Com. Fin., c.	2¾	3
Grey & Br. Tr. $50	43	46
Guaranty Trust.	102	105
Guelph & O. $50	51	54
Indust. Mtge.	26	..
Lambton Loan	31¼	33¾
London & West.	31	35
Midland Loan	14	16
Premier Trust	60	64
Sherbrooke Tr.	120	..
Sterling Trust	57	..
Traders Fin. A c	8	10
Do., A pfd.	85	89
Trusts & Gr. new	50	52¼
Victoria Trust	72	80
Waterloo Tr.	100	..
Insurance Stocks:		
Canada Life	410	..
Brit. Amer.	51	55

	Bid	Ask.
Canadian Fire	81	85
Confed. 30% pd.	135	140
Continental L.	35	..
Crown, fully pd.	255	265
Dominion Fire	138	..
D. of Can. Gen.	115	120
Empire, 25% pd.	5¼	6¼
Excelsior 38% pd.	70	..
Federal, 25% pd	52	..
Great-West Life	201	210
Halifax Fire	16¼	17¼
Imperial Life	296	305
Manufac. Life	235	242
Monarch Life	32	..
National Life	25	30
Sov. L. 25% pd.	12	13
Sun Life	290	315
Tor. General	5	5¼
Wellington Fire.	58	..
Western Assce.	41	44
Theatre Stocks:		
Allen's King., p.	57¼	62
Do. St. Cath. p	50	53
Mansf. Theat. p.	27	30
Para. Kitch., p.	50	55
Do., Oshawa, c	7¼	10¼
Investment Trust Shares:		
Can. Investors	5	6
Deb. & Sec., pf.	60	..
Inv. Found. un.	42¼	45
Sec's. Hold., pf.	18	20¼
United Corp., A	19¼	21
Do., B	4¼	5¼
Power Issues:		
Can. W. N. Gas	25	..
Do., pfd.	101	103¼
Gt. Lakes Pr., p.	101¼	103
Int. Ut., $1.75 p.	14	..
Do., $3.50 p.	34	..
Mtl. Is. Pwr., p.	21	..
Nor. Ont. Pr., p.	72	78

Unlisted Mines

Toronto, March 11, 1941

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Acordia	.27	30	Desants n	.20	.23	Manik'u	1.50	2.00	Pontiac		
Addington	¾	.01¼	Dona Pat	.01	.01¼	Martin Br.	.03	.03¾	(Old)	.03	.04
Albany R.			E Lacoma	¼	.01	Margaret	.09¼	.11	Phoenix	.01	.02
(Old)	.05¼	.07	Elmos	.07	.09	Mata Can	.03¼	.04¼	Polaris	.09	.11
(New)	.13	.16	Franco	.15	.22	Mata Con	.18	.21	Propri'y	2.40	2.80
Amal Kirk	.08	.09	Galore	1¼	.02¼	McMar'ac	.40	.43	Presdor	.03¾	.04¼
Anoki	.02¼	.03¼	Gan Cop	.08	.10	Mof Hal n	.02¾	.03¼	Quen Man	.06	.07
Aquarius	.20	.25	Gate Pat	¾	.01¼	Monarch	.01	.02	Rahn Lke	.01	.02
Arjon	.03	.03¾	Gilbec	¾	.01¼	Mooshla	.01¼	.02	Rand Ml	.11	.13
Armistice	.05	.06¼	Gordon Leb	¼	.01¼	Mosher	.04¼	.05¼	Red Lake	.01¼	.02
Argosy	.07¼	.08¼	Highridge	.12	.14	McGregor	.02	.02¾	Sachigo	2.50	3.00
Area	.03¼	.04¼	Hoyle n	.28	.30	Nat Mal	.31	.33	Senore	.08	.10
Arno	¼	1¼	Hugh PaP	.06	.08	Negus	.92	1.00	Shenango	.02	.02¾
Athona			Hutch Lke	.01	.01¼	New Aug.	.29	.31	Sheldon	.04	.06
(Old)	.01	.02	Jasper	.16	.18	New Roy	¼	.01	Siscoe Ex	.01¼	.02¼
(New)	.02¾	.03¼	Keora	.01¼	.02	Nickel O	.85	1.00	Skynner	.03¼	.05
Barb Lar	.02	.02¼	Kenricia	.01	.02	Norbeau	..	25	Smelters Gl	¾	.01¼
Bilmac	.02	.03	Kewagama	.01	.02	Norlake	..	.01	Spooner	..	.03
Bonetal	.50	.53	Kiena	.02	.04	Northland			Sunbeam	.02¼	.03¼
Brock	.34	.36	Kirk Gate	.01	.02	(1940)	.04	.06	Springer	.20	.22
Buf Bear	..	.04	Lacoma	¾	.01¼	Norwin	.08¾	.10	Stadacona	.04¼	.06
Calder Bo	.01¾	.02¼	LaGuerre	.15	.20	Oklend	.04	.04¾	Thomson	.13	.15
Central M	.02¼	.03	Lake Duf	.17	.19	O'Leary	.01¼	.02¼	Thomp Cd	.01	.02¼
Cheminis	.03	.03¼	Lake Gen	.02¼	.03¼	Opemiska	.03	.03¾	Treaty P	..	.12
Coin Lake	.03	.03¼	Lardego	¾	.01¼	Oriole	¾	.01	Union Mn	.03¼	.05
Cons Chib.	.04¼	.05¼	Lw Pete	.15	.16	Orpit	.06¼	.06¾	Wasu	.04	.05
Crescent	¼	.01	Magnet C	.85	.90	Ossian	.03¾	.01¼	West Red	.02¼	.03¼
Dayton	.01	.02	Magnet L	.18	.21	Pascalis	.38	.42	Woco	.02¼	.03¼
Demp Cad	.01	.01¼	Magwell	.01¼	.02¼	Pelangio	.02	.02¾	Y David'n	.23	.25

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

March 11, 1941

Public Utility Issues:	Int. Rate %	Due	Bid Mar. 11	Asked	Bid Mar. 4
▲‡Alg. C. H.B.R.	5	'39	6¼	8¼	7
†Assoc. Tel & T.	5¼	'55	72	75	72
B. C. Power	4¼	'60	98¼	101¼	98
B. C. Tel.	4¼	'61	107	110	107
†Calgary Pwr.	5	'60	107	110	107
Do.	5	'64	103	...	103
†Can. Nor. Pwr.	5	'53	103	106	103
*Dom. Gas & El.	6¼	'45	102	105	102
Gatineau Pwr.	5	'49	102	105	101¼
*Do., A	3¾	'69	97¼	100¼	97¼
▲Do., B	3¾	'69	97¼	100¼	97¼
Gt. Lakes Pwr.	4¼	'56	99	102	99
Do.,	5	'57	95	98	94
*Int. Hydro-E.	6	'44	85¼	88¼	55¼
▲Inter. Power	6	'55	101¼	...	101
L. St. Law Pwr.	5	'55	98	101	98
Macl'n-Que. Pr.	4	'59	97¼	100¼	97
Mtl. L. H. & P.	3¼	'56	100¼	103¼	100¼
Do.,	3¼	'73	97¼	100¼	97¼
Do.	3¼	'63	98	101	98
†Mtl. Tramways	5	'41	93¼	96¼	93
†Do.	5	'55	65	68	65
Nat. Lt. & Pwr.	6	'49	100¼	103¼	100
N. S. Lt. Pr.	4	'57	100¼	...	100¼
Ottawa L.H.&P.	4	'57	101	...	101
Ottawa V. Pwr.	5	'59	102	105	102
†Power Corp.	4¼	'59	96	99	96¼
Quebec Pwr.	4	'62	100	103	100¼
*Saguenay P., A	4¼	'66	110¼	...	110¼
▲Do., B	4¼	'66	107	110	107
St. Maurice Pr.	4¼	'70	101	104	100¼
Shaw. W. & Pr.	4	'61	100¼	103¼	100¼
Do.	3¼	'46	100¼	103¼	100¼
Do.	4	'69	100	103	100
Union Gas	4¼	'50	102¼	105¼	102¼
*Twin C. R. Tr.	5¼	'52	65	69	65
†United Secs.	5¼	'52	60¼	63¼	58¼
‡Wpg. El., ser. A	5	'65	67¼	70¼	67
Do., B	5	'65	48	51	47
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	67	70	64¼
Do., C.O.D.	5	'53	62¼	65¼	59
Acadia Sugar	4¼	'55	101¼	...	101¼
Do.	6	'54	97¼	100¼	97
†Alta. Pa. Grain.	6	'46	98	101	97¼
Algoma Steel	5	'48	102	...	102
Atlantic Sugar	4	'51	100	...	100
†B. C. P. & Pap.	6	'50	86	89	84¼
†‡Do.	7	'50	102¼	106¼	102¼
*Brown Co.	5¼	'46	48	51	46¼
Burns & Co.	5	'58	56¼	59¼	56¼
Canada Bread	6	'41	100	103	100
Canada Cement	4¼	'51	103¼	106¼	103
Canada Electric	4¼	'65	95	99	95
Can. Paper	4¼	'52	101	...	101
Can. Steamships	5	'57	98¼	100¼	97
Can. Canners	4	'51	100¼	103¼	100¼
*Can. Int. Paper	6	'49	102¼	105¼	102
‡Can. Locomotive	6	'53	82¼	86¼	82¼
‡†Candn. Vickers	6	'47	51¼	54¼	50¼
C. P. R.	3¼	'51	90	93	89
Do.	4	'49	94	97	93¼
Do.	4¼	'44	99¼	102¼	99
Do.	6	'42	103	106	103
Col. Steamships	6	'34	93	96	92¼
†Consol. Paper	5¼	'61	66	69	61
Dom. Coal	4¼	'52	101¼	104¼	100¼
Dom. Scott. Inv.	4	'52	95	...	95
Dom. Stl. & Co.	6¼	'55	105	108	105
Dom. Tar	4¼	'51	101¼	104¼	101
Dom. Woollens.	6	'53	96	99	96
†Donnacona P.	4¼	'56	72¼	75¼	72¼
*Dryden Pap.	6	'49	100	103	100
‡Dufferin Pav.	5	'55	52¼	...	52
†East. Dairies	6	'49	78¼	81¼	77¼
Famous Players	4¼	'51	100¼	103¼	100¼
†Federal Grain	6	'49	97¼	100¼	97¼
†Fraser Cos.	6	'50	98¼	101¼	98¼
Galt Brass	5	'50	80	...	80
Gen. Stl. Wares.	4¼	'52	98¼	101¼	98
*Great L. Paper.	5	'55	93¼	96¼	93¼
*Gurney Fdry.	5¼	'49	70¼	73¼	67¼
†Gypsum, Lime	5¼	'48	98¼	101¼	98¼
Ham. By-Pr., C.	5	'55	102	105	101¼
Do.	6	'56	100	103	100
Ham. Cotton	4¼	'50	99¼	...	99¼
Inter-City Bak.	5¼	'48	101¼	...	101¼
Indust. Accept.	4	'52	82¼	85¼	83¼
Ins. Ex. Bldg.	3	'51	41¼	45¼	41
*Inter. P., Nfld.	4¼	'68	87	91	87
*Inv. Bond & Sh.	5	'47	50	...	49¼
†Kingston Elev.	6	'30	105	108	105
Lake St. J. P.	5¼	'61	88¼	91¼	88¼
Do.	5	'61	65	68	64
Legare	6	'61	86¼	90¼	86¼
Maple Leaf M.	3	'58	72	75	70¼
Man. Sugar	5	'60	96¼	99¼	96
Massey-Harris	4¼	'54	93	96	91
McColl-Fron.	4¼	'49	101¼	104¼	101
McCormick's	4	'52	96	99	96
Do.	4¼	'52	103	...	103

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & Co., Toronto)

Mar. 11, 1941

Miscellaneous:	Bid $	Asked Mar.11 $	Bid Mar. 4 $
Adirondack Fdry., c	10.00	11.25	10.00
Atlas Steel, 1st p.	107.25	109.00	107.00
Brandram-Hend., c.	2.00	3.00	2.15
Can. Tube & Stl., c.	2.75	4.00	3.00
Can. West Lumber	.35	.50	.35
Cap. Wire Cloth p.	20.00	23.00	21.00
Colling'd Term. un.	.75	1.00	.75
Corp. Inv., A	5.50	6.00	5.50
Corr. Paperbox, c.	.50	.85	.50
Dover Ind.	7.00	7.65	7.25
East. Bake., pref.	26.50	30.00	27.00
Hart Battery, c.	6.25	7.25	6.00
Imperial Varnish, c.	8.50	9.50	8.50
Ind. Accept., p.	80.00	84.50	80.00
Inter. Equities, un.	25.00	30.00	24.00
Inv. Found. un.	41.25	43.00	41.00
†Loew's London, p.	2.25	3.00	2.25
Mersey Paper, com.	4.25	5.75	4.00
*Moirs, 6% pref.	19.50	22.00	19.75
Mont. Aircraft, c.	1.65	2.50	1.65
Mt. Royal, new c.	2.50	3.00	2.25
*Mt. Royal, old p.	3.75	4.25	3.25
Murphy Paint, un.	99.00	100.00	99.75
Nat. Hosiery, com.	.80	1.00	.90
†N. Amer. Elev., p.	64.00	....	64.50
Premier Trust	60.00	63.00	60.00
Provincial Bank	103.00	105.00	102.00
Reanite Corpn.	4.75	6.00	4.50
Traders Fin., rts.	12.00	14.50	13.00
Trusts & Guar., old	25.25	26.25	25.00
Waterloo Mfg., new	1.00	1.50	1.00
West. Can. Hydro, p	11.60	12.50	11.50
West. Life, 10% pd.	8.50	11.00	9.00

*Issue carries arrears.
†Currently paying on arrears.

Municipal Bonds

Mar. 11, 1941

†Halifax	5	1961	110.00	114.00	3.99
Hamilton	5	1950	109.75	111.75	3.50
Montreal	5	1945	95.00	98.00	5.57
Ottawa	4½	1945	104.50	106.50	2.90
†Quebec	5	1959	106.00	109.00	4.29
Saint John	5	1950	102.00	105.00	4.38
†Toronto	4½	1955	110.20	112.20	3.40
†Vancouver	5	1950	98.00	101.00	4.86
Winnipeg	5	1944	101.00	104.00	3.61

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	2.70	3.10
Can. Invest. Fund	3.20	3.55
Grouped Income	...	4.95
Trans-Canada	9.75	10.65

Corporation Bonds (Cont'd)

Mercury Mills	5	'59	92¼	96¼	92¼
Mersey Paper	5	'57	97¼	100¼	97¼
†Do.	6	'49	100	103	100
*M. & O. Paper	6	'45	53¼	56¼	50¼
Moirs Ltd.	6	'53	84	...	83
‡Mtl. Drydocks	6	'48	36	40	35
Montreal Apts.	4	'54	59	62	59¼
Nat. Grocers	4	'47	101	...	101
N. S. Stl. Coal	3¼	'63	84¼	87¼	84¼
Price Bros.	5	'57	95¼	98¼	94
Do.	4	'57	81	84	80
*Prov. Paper	5¼	'47	105	...	105
Reliance Grain.	4¼	'52	94¼	...	94¼
†Restigouche Co.	6	'48	99	102	98¼
Rolland Paper	4¼	'51	102¼	105¼	102¼
Ruddy, E. L.	6¼	'48	101	...	101
Silv. Dairies	6	'66	...	95	...
Simpsons Ltd.	4¼	'51	99	102	99
Smith, Howard.	4¼	'51	103¼	106¼	103
Stand. Lime	6	'44	97	...	96¼
Sterling Coal	6	'45	96¼	...	96¼
Stop & Shop	3	'47	61¼	65¼	60¼
United Corp.	5	'53	90	93	90
*United Gas	5¼	'48	104	...	104
United Gr. Grs.	5	'48	96¼	99¼	96
†Western Grain	6	'49	49¼	53¼	48¼

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S. only.
▲Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Annual Meetings

1941	Company	Place
Mar. 17	Leitch Gold Mines	Toronto
Mar. 17	Sand River Gold	Toronto
Mar. 17	Springer-Sturgeon G.	Toronto
Mar. 19	de Havilland Air.	Downsview
Mar. 24*	Twin City Rapid Tr	Minneapolis
Mar. 25	Canada North. Pwr.	Montreal
Mar. 25	Massey-Harris	Toronto
Mar. 25	St. Anthony G. M.	Toronto
Mar. 27	British Emp. Assur.	Toronto
Mar. 27	Imp. Guar. & Acc.	Toronto

Mining Dividends

	Rate	Close Mar. 10	Yield %
Anglo-Huronian	‡10c	2.25	..
Aunor Gold	†4c	1.78	..
Beattie Gold	16c+2c	1.05	*17.1
Bralorne	80c+40c	9.80	*12.2
Broulan Porc.	12c	.92	13
Buffalo Ankerite	‡31c	3.90	..
Bulolo Gold	$3	16.87	17.7
Can. Malartic	8c	.50	..
Cariboo Gold	16c+8c	2.65	*9
Central Patricia	16c+4c	1.80	*11.1
Chesterville	†5c	1.47	..
Cochenour Willans	†3c	.74	..
Coniagas	‡25c	1.50	..
Coniaurum	16c+2c	1.40	*14.2
Cons. Smelters	$1+$1.25	36.00	*6.2
Delnite	‡6c	1.00	6
Dome Mines	$2	22.00	9.1
East Malartic	†30c	2.63	11.3
Falconbridge	5c	2.25	..
Francoeur Gold	†3c	.37	..
God's Lake	‡2½c	.27½	..
Goldale	‡2c	.12	..
Gold Belt	‡4c	.28	..
Grandview	†.00½	.12½	..
Gunnar Gold	‡6c	.26½	..
Hallnor	60c	5.00	12
Hard Rock	‡10c	.78	..
Hedley Mascot	‡8c	.50	..
Hollinger	65c+45c	12.87	*8.7
Howey Gold	‡5c	.25½	..
Hudson Bay	‡$2	24.87	8
Inter. Nickel, com.	$2	33.50	6
Island Mountain	‡15c	.85	..
Kerr Addison	‡15c	3.60	..
Kerr Lake	‡10c	.20	..
Kirkland Lake	10c+2c	.90	*13.3
Kootenay Belle	‡12c	.20	..
Lamaque Gold	‡40c+10c	4.25	*11.7
Lake Shore	$2	18.25	10.9
Leitch	8c	.49	16.3
Little Long Lac	30c	1.70	18.2
Macassa	32c+3c	3.65	*9.6
Madsen R. Lake	6c	.57	..
McGillivray Coal	3c+1c	.20	..
McKenzie Red L.	‡12c	1.07	11.2
McWatters	10c	.22	..
Moneta	12c	.46	..
McIntyre-Porc.	$2.22+$1.11	47.25	*7
MacLeod-Cockshutt	‡20c	1.90	10.5
Naybob Gold	4c	.27	..
Nipissing	15c	1.10	..
Noranda	4	51.25	7.8
North Empire	‡50c	5.00	..
O'Brien Gold	‡10c	.72	..
Pamour Porc.	12c	1.16	10.3
Pato Cons.	20c	2.50	..
Paymaster	‡1c	.22½	..
Perron Gold	16c+4c	1.48	13.5
Pioneer, B.C.	40c	2.25	17.8
Pickle Crow	40c	2.80	14.3
Placer Develop.	$1.20	9.50	12.6
Premier	12c	.91	..
Preston E. Dome	20c+5c	3.00	*8.3
Privateer Mine	‡16c+2c	.48	..
Powell Rouyn	‡10c	.73	..
Quebec Gold	‡2c	.20	..
Relief Arlington	‡5c	.02⅝	..
San. Antonio	14c+6c	2.25	*9
Sheep Creek	16c+3c	.83	..
Sherritt Gordon	‡10c	.69½	..
Sigma Mines	‡45c	7.75	..
Silbak Premier	16c	.70	22.8
Siscoe	‡11½c	.55	..
Sturgeon River	‡2c	.17	..
Sudbury Basin	‡2½c	1.20	..
Sullivan Cons.	‡9c	.56	..
Surf Inlet	‡1½c	.10½	..
Sylvanite Gold	20c+10c	2.68	*11.2
Teck-Hughes	‡40c+5c	3.15	*14.3
Toburn	8c+12c	1.50	*13.3
Upper Canada	‡6c	1.65	..
Ventures	15c	3.25	..
Waite Amulet	‡10c	3.35	..
Wendigo	†3c	.20	..
Wright-Harg.	‡40c+30c	5.95	*11.7
Ymir Yankee	2c	.07½	..

*Yield including bonus. †Initial. ‡Paid in 1940.
ǂPlus 1 sh. McMarmac Red Lake Gold Mines for each 5 shs. McKenzie held.

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass, c p	$1.75	Apr. 1	Mar. 15
Aunor Gold	▪4c	Mar. 29	Mar. 15
Asbestos Corp.	15c	Mar. 31	Mar. 15
Do., extra	15c	Mar. 31	Mar. 15
Assoc. Brew.	25c	Mar. 31	Mar. 15
Do., pref.	$1.75	Apr. 1	Mar. 15
Amer. Cyan. A B	†15c	Apr. 1	Mar. 12
Do., pref.	†12½c	Apr. 1	Mar. 12
Bralorne Mines	20c	Apr. 15	Mar. 31
Do., extra	10c	Apr. 15	Mar. 31
Brant. Cordage pf.	32½c	Apr. 15	Mar. 20
Bell Telephone	$2	Apr. 15	Mar. 22
Brit. Amer. Assur.	$1.50	Apr. 1	Mar. 27
B. C. Power "A"	50c	Apr. 15	Mar. 31
Brazilian Tr., pf.	$1.50	Apr. 1	Mar. 15
Brewers & Distil., p.	*50c	May 20	Apr. 26
Do., bonus	*10c	May 20	Apr. 26
Broulan Porc.	3c	Apr. 19	Mar. 31
Building Prod.	17½c	Apr. 1	Mar. 15
Brit. Amer. Oil	25c	Apr. 1	Mar. 13
Burlington Stl.	15c	Apr. 1	Mar. 15
Bk. of Nova Scotia	$3	Apr. 1	Mar. 15
Belding-Cort.	$1	Apr. 1	Mar. 15
Do., pref.	$1.75	Apr. 1	Mar. 15
Cal. & Edm.	5c	Apr. 7	Mar. 7
Can. Cr. Stone	▪10c	Mar. 31	Mar. 15
Can. Breweries, pf.	75c	Apr. 1	Mar. 15
Can. Celanese	25c	Mar. 31	Mar. 14
Do., pref.	$1.75	Mar. 31	Mar. 14
Do., participating	60c	Mar. 31	Mar. 14
Canada Cycle	30c	Mar. 31	Mar. 18
Do., pref.	1.25	Mar. 31	Mar. 18
Canada Life	$5	Apr. 1	Mar. 31
Cent. Can. Loan	$2	Apr. 1	Mar. 18
Can. Canners	12½c	Apr. 1	Mar. 15
Do., 1st pref.	25c	Apr. 1	Mar. 15
Do., participating	5c	Apr. 1	Mar. 15
Do., 2nd pref.	15c	Apr. 1	Mar. 15
Do., participating	5c	Apr. 1	Mar. 15
Candn. Indust., pf.	$1.75	Apr. 30	Mar. 31
Do., com.	$1.75	Apr. 30	Mar. 31
Can. Malartic	▪2c	Mar. 26	Mar. 8
Can. Car, pref.	▪44c	Apr. 10	Mar. 21
Chartered Trust	$1	Apr. 1	Mar. 15
Canada Cement pf.	$1.25	Mar. 20	Feb. 28
Coniaurum Mines	▪4c	Apr. 1	Mar. 8
Canada Dry	†15c	Mar. 24	Mar. 10
Can. Gen. Elec.	$2	Apr. 1	Mar. 15
Can. Cottons	$1	Apr. 1	Mar. 15
Do., extra	$2	Apr. 1	Mar. 15
Do., pref.	$1.50	Apr. 1	Mar. 15
Can. Nor. Pwr.	▪25c	Apr. 25	Mar. 31
Do., pref.	▪$1.75	Apr. 15	Mar. 31
Celanese of Amer.	†50c	Mar. 31	Mar. 14
Do., pr. pref.	†$1.75	Apr. 1	Mar. 14
Do., pr. pref.	†$1.75	July 1	June 17
Do., part. pref.	†$3.50	June 30	June 17
Do., partic.	‡$2.82	Mar. 31	Mar. 14
Chesterville L.	5c	Apr. 15	Mar. 28
Coronation Rylts.	1½c	Mar. 31	Mar. 20
Canada Steam. p.	$2.50	Apr. 1	Mar. 21
Can. Bk. of Commerce	$2	May 1	Mar. 31
Carnation Co. 1st p	†$1.25	Apr. 1	Mar. 19
Can For. Invest., p.	$2	Apr. 1	Mar. 15
Can. Perm. Mtge.	$2	Apr. 1	Mar. 15
Can. Converters	50c	Apr. 30	Apr. 10
Cent. Patricia	4c	Mar. 31	Mar. 15
Do., extra	2c	Mar. 31	Mar. 15
Cariboo Gold	4c	Apr. 1	Mar. 3
Do., extra	2c	Apr. 1	Mar. 3
Canada Packers	75c	Apr. 1	Mar. 15
Do., extra	50c	Apr. 1	Mar. 15
Canadian Oil, pfd.	$2	Apr. 1	Mar. 20
Can. West'ghouse	▪50c	Apr. 1	Mar. 17
Can. W're Box, A	37½c	Apr. 1	Mar. 15
Consumers' Gas	$2	Apr. 1	Mar. 15
David & Frere, A	25c	Mar. 31	Mar. 15
Dom. Foundries	25c	Apr. 1	Mar. 20
Dom Tar, pref.	$1.37½	May 1	Apr. 15
Dom. Glass	▪$1.25	Apr. 1	Mar. 15
Do., pref.	▪$1.75	Apr. 1	Mar. 15
Dom. Text., p.	$1.75	Apr. 15	Mar. 31
Do., com.	$1.25	Apr. 1	Mar. 15
East Malartic	10c	Mar. 25	Mar. 1
Easy Washing, pf.	17½c	Apr. 1	Mar. 15
Economic Invest.	$1.37½	Apr. 1	Mar. 20
Fanny Farmer	†37½c	Apr. 1	Mar. 15
Firestone Pete.	1c	Mar. 31	Mar. 20
Falconbridge N.	5c	Apr. 4	Mar. 6
Famous Players	25c	Mar. 29	Mar. 15
Foundation Co	25c	Apr. 18	Mar. 31
Gatineau Power	20c	Mar. 31	Mar. 3
Do., 5½% pref.	$1.37	Apr. 1	Mar. 3
Do., 5% pref.	$1.25	Apr. 1	Mar. 3
Goodyear Tire	62c	Apr. 1	Mar. 15
Do., extra	$1.50	Apr. 1	Mar. 15
Do., pref.	62½c	Apr. 1	Mar. 15
Greening Wire	15c	Apr. 1	Mar. 15
Gt. Lakes P., A B p	▪25c	Apr. 1	Mar. 20
Gt. Lakes Pwr., pf.	$1.75	Apr. 15	Mar. 31
Grandview Mines†	½c	Mar. 20	Mar. 10
Grey & B. Trust	1%	Mar. 20	Mar. 10
Gt. West Life	$3.75	Apr. 1	Mar. 20
Gt. West Sadd'y p.	$2.25	Apr. 4	Mar. 21
Do., 2nd pref.	$3	Apr. 4	Mar. 21
Ham. Un. Theat., p.	$1.25	Mar. 31	Mar. 20
Honey Dew	50c	Apr. 1	Mar. 15
Ham. Cottons, pfd.	50c	Apr. 1	Mar. 15
Do., arrears	50c	Apr. 1	Mar. 15
Hinde & Dauch	12½c	Apr. 1	Mar. 15
Hollinger Cons.	5c	Mar. 25	Mar. 11
Howe Sound	†75c	Mar. 31	Mar. 21
Huron & E. Mtge.	1%	Apr. 1	Mar. 15
Inter. Nickel, p.	†$1.75	May 1	Apr. 1
Do., c.	†50c	Mar. 31	Mar. 1
Imp. Tobacco	5c	Mar. 31	Mar. 7
Do., extra	22½c	Mar. 31	Mar. 7
Do., pref.	3%	Mar. 31	Mar. 7
Int. Paper & Pr., p.	$1.25	Mar. 29	Mar. 21
Do., arrears	$1.25	Mar. 29	Mar. 21
Invest. Found., p.	75c	Apr. 15	Mar. 31
Inter. Power pfd.	$1.75	Apr. 15	Mar. 15
Jam. Pub. Serv.	17c	Apr. 1	Mar. 14
Do., pref.	$1.75	Apr. 1	Mar. 14
Kerr Addison	5c	Apr. 28	Apr. 10
Kirkland Lake	5c	May 1	Mar. 31
Do., extra	1c	May 1	Mar. 31
Lamaque Gold	10c	Apr. 1	Mar. 7
Landed Bank	$1	Apr. 1	Mar. 15

DIVIDEND NOTICES

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 5

Notice is hereby given that an interim dividend of five cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on April 28th, 1941, to shareholders of record at the close of business on April 10th, 1941.

By Order of the Board.

G. A. CAVIN, Secretary-Treasurer.

Toronto, Ontario, March 8th, 1941.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st APRIL 1941

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE, Manager.

6th March 1941.

The Great West Saddlery Company Limited

6% Cumulative First Preference Stock ($50.00 Par Value)

A dividend at the rate of six per cent (6%) per annum, or Two Dollars and Twenty-Five Cents ($2.25) per share, being the accumulated dividend for the nine months ending March 31st, 1941, has been declared and authorized to be paid on April 4th, 1941, to all First Preference Shareholders of record with the Transfer Agents of the Company at the close of business on March 21st, 1941.

By Order of the Board.

J. C. BROADFOOT, Secretary.

Winnipeg, Man. March 6th, 1941.

The Great West Saddlery Company Limited

6% Cumulative Second Preference Stock ($50.00 Par Value)

A dividend at the rate of six per cent (6%) per annum, or Three Dollars ($3.00) per share, being the accumulated dividend for the twelve months ended March 31st, 1939, has been declared and authorized to be paid on April 4th, 1941. to all Second Preference Shareholders of record with the Transfer Agents of the Company at the close of business on March 21st, 1941.

By Order of the Board.

J. C. BROADFOOT, Secretary.

Winnipeg, Man. March 6th, 1941.

Investment Foundation Limited

Preferred Dividend No. 48

A regular Dividend of 75 cents per share has been declared on the 6% Cumulative Convertible Preferred stock of this Company, for the Quarter ending March 31, 1941, payable April 15, 1941, to shareholders of record March 31, 1941.

By Order of the Board,

R. M. BROWN, Secretary-Treasurer.

Dividends Declared (Cont'd)

	This payment	Date payable	Date of record
Lang, J. A.	17½c	Apr. 1	Mar. 15
Do., special	12½c	Apr. 1	Mar. 15
Magnet Cons.	7½c	Apr. 10	Mar. 28
Monarch Rlyts.	1c	Mar. 31	Mar. 20
Melchers Dist., pf.	*30c	Apr. 15	Apr. 5
Marcus Loew's, p.	$1.75	Mar. 31	Mar. 15
Do., arrears	$1.75	Mar. 31	Mar. 15
Mtl. C. & D. Bank	$3	Apr. 1	Mar. 15
Monarch Knit., pf.	$7	Mar. 21	Feb. 27
Mitchell, J. S., p.	$1.75	Apr. 1	Mar. 14
Mod. Containers	20c	Apr. 1	Mar. 20
Do., extra	10c	Apr. 1	Mar. 20
Do., pref.	$1.37½	Apr. 1	Mar. 20
Moore Corp.	55½c	Apr. 1	Mar. 11
Do., pref. A, B.	†$1.75	Apr. 1	Mar. 11
Nat. Biscuit, com.	†40c	Apr. 15	Mar. 14
Nat. Breweries	50c	Apr. 1	Mar. 15
Do., pref.	44c	Apr. 1	Mar. 15
Nat. Grocers, pfd.	37½c	Apr. 1	Mar. 15
Naybob Gold	1c	Apr. 15	Apr. 1
N. S. Light & Pr., c	$1.50	Apr. 1	Mar. 15
Nat. Steel Car	50c	Apr. 15	Mar. 31
North Star Oil, p.	8¾c	Apr. 1	Mar. 12
National Trust	$2	Apr. 1	Mar. 21
Negus Mines	5c	Apr. 10	Mar. 31
N. Eng. Pr. Assoc. p.	†$1	Apr. 1	Mar. 15
Do., $2 pf.	†33⅓c	Apr. 1	Mar. 15
North Empire Mines	20c	Apr. 15	Apr. 4
Ottawa Elec. Rly.	30c	Apr. 1	Mar. 18
Ont. Loan & Deb.	$1.25	Apr. 1	Mar. 15
Ottawa L. H. Pwr.	15c	Apr. 1	Mar. 5
Do., pref.	$1.25	Apr. 1	Mar. 5
Page Hersey	$1.25	Apr. 1	Mar. 15
Pioneer Gold	10c	Apr. 1	Feb. 28
Pickle Crow G.	10c	Mar. 31	Mar. 15
Perron Gold	4c	Mar. 21	Mar. 1
Do., extra	1c	Mar. 21	Mar. 1
Preston E. Dome	5c	Apr. 15	Mar. 31
Do., extra	5c	Apr. 15	Mar. 31
Para. Pictures	†20c	Apr. 1	Mar. 14
Do., 1st pfd.	†$1.50	Apr. 1	Mar. 11
Do., 2nd pref.	†15c	Apr. 1	Mar. 11
Porto Rico Pr., p.	$1.75	Apr. 1	Mar. 15
Power Corp., pfd.	▪$1.50	Apr. 15	Mar. 31
Do., 2nd pref.	▪75c	Apr. 15	Mar. 31
Premier Gold	3c	Apr. 15	Mar. 15
Price Bros. pfd.	$1.37½	Apr. 1	Mar. 22
Remington Rand	†20c	Apr. 1	Mar. 14
Do., stk. div.	10%	May 1	Mar. 14
Do., pref.	†$1.12½	Apr. 1	Mar. 14
Regent Knit, pref.	‡40c	June 1	May 15
Riverside Silk A	50c	Apr. 1	Feb. 15
Russell Indust.	20c	Mar. 31	Mar. 18
Do., pref.	$1.75	Mar. 31	Mar. 18
St. Law. Corp., A p	25c	Apr. 15	Mar. 31
St. Law. Pap., pref.	50c	Apr. 15	Mar. 31
Sheep Creek M.	4c	Apr. 15	Mar. 31
Standard Fuel, p.	$1	Apr. 1	Mar. 15
Silverw'd Dairies, p.	20c	Apr. 1	Feb. 28
Smith H., Paper pf.	$1.50	Apr. 15	Mar. 31
Simon & Sons	15c	Mar. 29	Mar. 14
Do., pref.	$1.75	Mar. 29	Mar. 14
San Antonio	7c	Apr. 21	Apr. 5
Do., extra	3c	Apr. 21	Apr. 5
Stedman, p.	75c	Apr. 1	Mar. 20
Do., com.	15c	Apr. 1	Mar. 20
Do., extra	60c	Apr. 1	Mar. 20
Sylvanite Gold	▪7c	Mar. 31	Feb. 10
Sher.-Williams, p.	$1.75	Apr. 1	Mar. 15
Do., arrears	$1.75	Apr. 1	Mar. 15
Saguenay Pr., p.	$1.37½	May 1	Apr. 15
South. Can. Pr.	20c	May 15	Apr. 30
Do., pref.	$1.50	Apr. 15	Mar. 20
Sheep Creek G.	4c	Apr. 15	Mar. 15
Stand. Paving pf.	31¼c	Mar. 25	Mar. 15
Sun Life Assur.	$3.75	Apr. 1	Mar. 15
Tamblyn, G.	20c	Apr. 1	Mar. 15
Do., pref.	62½c	Apr. 1	Mar. 15
Tombill Gold	5c	Apr. 10	Mar. 28
Toronto Mortgage	$1.25	Apr. 1	Mar. 15
Teck Hughes	▪10c	Apr. 1	Mar. 7
Tuckett Tobacco, p	$1.75	Apr. 15	Mar. 31
Third Can. Gen. In. Tr., A	▪12½c	Apr. 1	Feb. 28
Do., extra	▪2½c	Apr. 1	Feb. 28
Tor. Gen. Trusts	$1	Apr. 1	Mar. 15
United Fuel, A, p.	75c	Apr. 1	Mar. 20
Viau, pref.	$1.25	Apr. 1	Mar. 20
West. Grocers	75c	Apr. 15	Mar. 20
Do., extra	$1	Apr. 15	Mar. 20
Do., pref.	$1.75	Apr. 15	Mar. 20
West. Koot. Pr., p.	$1.75	Apr. 1	Mar. 19
Western Assur., c.	$1.20	Apr. 1	Mar. 27
Weston, Geo., c.	20c	Apr. 1	Mar. 12
Willson Stat., pfd.	$1.25	Apr. 15	Mar. 31
Wood, Alex. J. pfd.	$1.75	May 1	Apr. 15
Wilsil	25c	Apr. 1	Mar. 15
Wr. Hargreaves	10c	Apr. 1	Feb. 28
Do., extra	5c	Apr. 1	Feb. 28
Ymir Yankee Girl	2c	Mar. 31	Mar. 15

†Payable in U. S. funds.
*Arrears eliminated after giving effect to this payment.
▪Subject to approval of Foreign Exchange Control Board.
•Initial.
‡40c also payable Sept. 1 and Dec. 1.
*Subject to confirmation of by-law at annual meeting.

B. C. Pulp 6's
Western Grain 6's
Bought and Sold
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101

DIVIDEND NOTICES

DIVIDEND
CHARTERED TRUST AND EXECUTOR COMPANY

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending March 31st, 1941, payable April 1st, 1941, to shareholders of record at the close of business March 15th, 1941.

By order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto, January 23rd, 1941.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

TUESDAY, THE FIRST DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March, 1941.

By order of the Board.

WALTER F. WATKINS, Secretary.

Toronto, 19th February, 1941.

National Steel Car Corporation Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of fifty cents (50c) per share has been declared, payable April 15th, 1941, to shareholders of record at the close of business, March 31st, 1941.

By order of the Board.

CHAS. W. ADAM, Secretary.

Sun Life Assurance Company of Canada

Head Office: Montreal

Stock Transfer Department

Notice is hereby given that a dividend of three dollars seventy-five cents ($3.75) per share on the capital stock of the Company has been declared for the quarter ending March 31st, 1941, and will be paid on April 1st, 1941, to shareholders of record at the close of business March 15th, 1941.

The stock transfer books of the Company will be closed from March 17th to March 31st, both dates inclusive, for the preparation of the above dividend.

By Order of the Board,

F. J. CUNNINGHAM, Secretary.

Sheep Creek Gold Mines Limited

(Non-Personal Liability)

Notice of Dividend No. 20)

Notice is hereby given that a Quarterly Dividend of four cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of April, 1941, to shareholders of record at the close of business on the 31st day of March, 1941.

Persons holding certificates not registered in their name, commonly known as "street" certificates, should have them registered in their name by the Company's transfer agents, Prudential Trust Company Limited, at their office, 475 Howe Street, Vancouver, B.C., or at their office, 217 Bay Street, Toronto, Ontario, on or before 31st March next.

By Order of the Board.

JAMES ANDERSON, Secretary.

Vancouver, B.C., March 5th, 1941.

San Antonio Gold Mines Limited

(No Personal Liability)

Dividend No. 15

Notice is hereby given that a dividend of 7c a share, and an extra dividend of 3c a share, making 10c a share in all, has been declared on the outstanding capital stock of the company, payable in Canadian funds, on the 21st day of April, 1941, to shareholders of record at the close of business on the 5th day of April, 1941.

By order of the Board.

M. SNYDER, Secretary.

Winnipeg, February 14, 1941.

BRALORNE MINES LIMITED

Non-Personal Liability

NOTICE is hereby given that a Quarterly Dividend of 20 cents per share and an Extra Dividend of 10 cents per share have been declared on the paid-up capital stock of the company, payable on the 15th day of April, 1941, to shareholders of record as of March 31st, 1941.

By order of the Board

RONALD GRACE, Secretary-Treasurer

Vancouver, B.C. March 5th, 1941.

Western Grocers Limited

Notice of Dividends

NOTICE is hereby given that the following dividends have been declared:

On the Preference Shares, 1¾% ($1.75) for the current quarter;

On the Common Shares, 75c per share;

On the Common Shares, an extra $1.00 per share;

All payable April 15th, 1941, to shareholders of record March 20th, 1941.

By order of the Board.

W. P. RILEY, President

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 217

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 30th April, 1941, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st May next, to shareholders of record at the close of business on the 31st March, 1941. The Transfer Books will not be closed.

By Order of the Board.

A. E. ARSCOTT, General Manager.

Toronto, 7th March, 1941.

Canada Steamship Lines Limited

Notice is hereby given that under the provisions of the Modified General Plan of Reorganization of Canada Steamship Lines, Limited, dated October 1, 1936, a dividend of Two dollars and fifty cents ($2.50) per share on the outstanding preference shares of the company has been declared payable April 1, 1941, to shareholders of record March 21, 1941.

Dated at Montreal this 11th day of March, 1941.

R. BROCK THOMSON, Secretary.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No Par Value capital stock of the Company for the first quarter ending March 31st, 1941. The above dividend is payable in Canadian funds, April 1st, 1941, to shareholders of record at the close of business on the 13th day of March, 1941.

H. H. BRONSDON, Secretary.

Dated at Toronto, March 10th, 1941.

Dominion Glass Company Limited

Notice of Dividends

Notice is hereby given that a dividend of one and three-quarters percent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March 1941.

Notice is also hereby given that a dividend of one and one-quarter percent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March 1941.

Subject to the approval of the Foreign Exchange Control Board the above Dividends will be paid on Tuesday, the 1st day of April 1941 to Shareholders of record at the close of business Saturday, the 15th day of March 1941.

By Order of the Board.

MERVYN OFFER, Secretary.

Montreal, 25th February 1941.

NEGUS MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 1

NOTICE IS HEREBY GIVEN that an interim dividend of five cents per share in Canadian funds has been declared on the issued capital stock of the company and will be paid on the 10th day of April, 1941, to shareholders of record at the close of business on the 31st day of March, 1941.

As this is the initial dividend, shareholders holding certificates which are registered in other than their own names are advised to have such share certificates transferred to their own names on or before March 31st, 1941. Requests for such transfers should be forwarded with properly endorsed certificates enclosed to the company's transfer agent, The Toronto General Trusts Corporation, 253 Bay Street, Toronto, Ontario.

By Order of the Board.

W. M. McINTYRE, Secretary.

Toronto, Ontario, March 8th, 1941.

The Chesterville Larder Lake Gold Mining Company Limited

(No Personal Liability)

DIVIDEND NOTICE

Notice is hereby given that an interim dividend of .05c per share, payable in Canadian funds, has been declared by the Directors of The Chesterville Larder Lake Gold Mining Company Limited, payable April 15th, 1941, to shareholders of record at the close of business March 28th, 1941.

By order of the Board.

J. T. KEARNS, Secretary-Treasurer.

Toronto, March 10, 1941.

The Sherwin-Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that the One Hundred and Sixteenth and One Hundred and Seventeenth Quarterly Dividends of One and Three-quarters per cent (1¾%) each, being at the rate of Seven per cent (7%) per annum for each of the Quarters ending May 31, 1940, and August 31, 1940, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 15th day of March, 1941, and that cheques will be mailed April 1, 1941.

Books not closed.

By Order of the Board,

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Quebec. February 6, 1941.

BRITISH COLUMBIA POWER CORPORATION LIMITED

DIVIDEND No. 51

NOTICE is hereby given that a dividend of Fifty cents (50c) per Share on Class "A" Shares has been declared for the three months ending March 31st, 1941, payable by cheque dated April 15th, 1941, to shareholders as of record at the close of business on March 31st, 1941: such cheques will be mailed on April 12th, 1941, by the Montreal Trust Company from Vancouver.

By Order of the Board,

ERNEST ROGERS, Secretary

Vancouver, B.C. March 8th, 1941.

Standard Paving Pays On Preferred Stock

Standard Paving & Materials Ltd. has declared a dividend of 31¼ cents a share on its preferred stock. This dividend, which is for the six months ended Mar. 31, 1940, is payable Mar. 25, 1941, to shareholders of record March 15. Arrears at April 1 will amount to 62½ cents a share.

Week in Wheat

Western Farmers Sell Wheat on Open Market

Prefer Certainty of Higher Current Prices to Possibility That Wheat Board Participation Certificates May Have Much Value

From Our Own Correspondent

WINNIPEG.—Wheat prices on the Winnipeg market have advanced beyond the 80 cent level for July delivery under trading that might be termed active in comparison with some long periods of stagnation. Selling is on behalf of farmers delivering new wheat at country elevators. Most of them now have so little hope that Wheat Board participation certificates will have much value that they prefer to sell their wheat outright, when they can get two or three cents a bushel more from the open market than from the Wheat Board initial price.

That situation has prevailed in Saskatchewan and Manitoba. In Alberta, however, the comparison is more likely to be in favor of Wheat Board initial prices, which in that province are based on freight rates to Vancouver, instead of the higher freight rates to the head of the lakes which have to be allowed for in connection with open market prices.

But in the three provinces there are only a limited number of elevators with any room to take in wheat, on account of the congestion of space, and so the volume of sales is restricted.

Interest Limited

As far as special grades are concerned supplies on hand are so predominantly of No. 1 Northern, which grade is likely to be delivered on the May option at the opening of that month, that interest in the cash market is somewhat less than might be expected at this time of year.

There has been an interesting drop in the figures for the visible supply of Canadian wheat by some 10 million bushels from the high of 495 million bushels recorded a few weeks ago. That means that new deliveries of wheat by farmers have not kept pace with the rate at which wheat has moved into domestic milling or has been absorbed by overseas shipments. Although farmers' deliveries have lately been at the rate of only about half a million bushels a day, they are likely to expand as more room is made in country elevators by the loading of wheat into railway cars, in anticipation of the opening of navigation when room will be made in terminal elevators for considerable quantities.

An advance in the visible figures to over 500 million bushels may be expected shortly. Although active preparations are under way for the additional 50 million bushels storage which is being provided in temporary annexes to terminal elevators at the Head of the Lakes, it is likely to be well into June before large quantities can be shipped from country elevators to occupy that space.

* * *

Buying by Mills

The volume of buying recently has come mainly from Canadian mills, in connection with sales of flour in Canada. Such export sales as they make to Great Britain do not involve open market purchases, but are covered by previous purchases of futures on account of the British purchasing authorities. Lately there has been a certain amount of buying from American sources, presumably on account of mills which expect to use Canadian wheat for export flour under milling in bond privileges.

One possibility, discussed by some observers this week, was that American mills had some hope of selling flour for export to France, if Admiral Darlan carries out his announced intention of attempting to run the British blockade. If such a thing were attempted it would be a strange thing to see Canadian wheat used for such a purpose.

Actually, however, it is the cheapest wheat United States millers could employ for such business and, with the quantities of Canadian wheat passing into and through the United States for legitimate purposes, it might be difficult to prevent it, always assuming that the French authorities could find some means of making payment in the United States and finding shipping space.

* * *

Exchange Factor

Another possibility which has been discussed in the United States might encourage some buying from that country. If the United States enters the war some people calculate that financial developments between that country and Canada would result either in the Canadian dollar and the American dollar reaching a parity with each other or in a closer relation than now exists. It is even conceivable that easing of the exchange problem under the Lease-Lend Bill might have some effect in that direction.

In such an event Canadian wheat might become more valuable in American funds. Such calculations may tend to make purchases of Canadian wheat now seem more attractive in American eyes than would otherwise be the case. Still further, if Canada and the United States were actually allies in war, a common wheat policy, resulting in a practical parity of prices between the two countries, might develop.

* * *

Wheat Board Position

It is taken for granted by most observers that the Canadian Wheat Board cannot be offering much wheat in the open market at present, contenting itself with the bulk sales which it makes from time to time, and leaving the market to find a level based on the willingness of farmers to sell on the open market, and the needs of domestic and American buyers as they arise.

From Ottawa the other day came announcement that power had been taken by the Government to prohibit export sales of low-grade wheat if it appeared that sales of such wheat might make it more difficult or more expensive for eastern farmers to obtain supplies of feed grain. In grain circles it is not expected that use would be made of these powers, as such a development would give rise to a good deal of criticism in the West.

* * *

Overseas Movement

Overseas clearances of Canadian wheat continue at a substantial rate, those for last week being recorded at 4,687,000 bushels. Exporters have been acquiring wheat in eastern positions in large volume. Actual movement, of course, is governed not so much by immediate needs for wheat in Great Britain, but on the availability of space from time to time. Into this the military situation enters, as well as the way in which shipments may be affected by movement of war supplies from this continent.

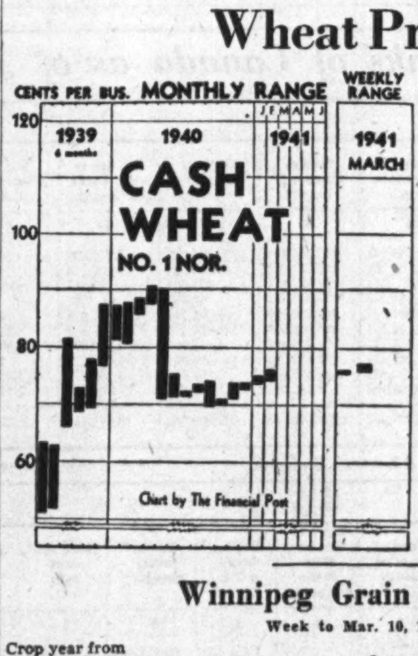
Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$9.65	$9.75	$7.65
Hogs	11.50	11.60	12.25
Copper, lb.	.12	.12	.11½
Cotton, lb.	.1088	.1090	.1123
Rubber, lb.	.21¼	.2075	.1872
Silk, lb.	2.70	2.70	2.99
Sugar, raw, lb.	.0320	.0315	.0280
Wheat, Man. (bu.)	.77½	.75½	.86⅞
Coffee, lb.	.06	.06	.05⅝
Hides	.13¼	.13	.13
Weekly Indices			
Canada (D.B.S.)	85.3	85.1	82.8
Do., Wood, Gundy	68.1	67.7	68.4
U. S. Labor	80.5	80.4	78.4
Dow Jones (future)	59.56	58.03	59.38
Fishers'	85.9	86.0	84.4
Monthly Indices			
Canada (D.B.S.):			
Retail (Jan.)	108.3	108.0	103.8
W'sale (Jan.)	84.6	84.2	82.6
U. S. (Dec.)	80.0	79.6	79.2

Note:—The base of indices is that 1926 equals 100. *Base 1935-38=100.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Silk—Crack db., 13-15 New York. Sugar—96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides—No. 1 packer light.

Wheat Prices



Cash Quotations

	For Week Mar. 10 High	For Week Mar. 10 Low	Prev. Week High	Prev. Week Low
Wheat:				
1 Hard	.77½	.75⅝	.75⅞	.75½
1 Nor.	.77½	.75⅝	.75⅞	.75½
2 Nor.	.75¼	.73⅛	.73⅝	.73⅛
3 Nor.	.72¼	.70⅛	.70⅝	.70⅛
4 Nor.	.70	.67⅝	.68	.67⅝
5 Wheat	.68½	.66	.66½	.66
6 Wheat	.66½	.64⅛	.64¾	.64¼
Feed	.65	.62⅛	.62¾	.62¼
Oats:				
2 C. W.	.35⅛	.34¾	.35⅛	.34⅛
3 C. W.	.34⅝	.34⅛	.34⅝	.33⅝
Barley:				
1 Feed	.50⅞	.48⅞	.50	.48⅝
2 Feed	.48⅛	.46⅝	.48	.45⅞
Flax:				
1 C. W.	1.65⅞	1.58⅝	1.57⅛	1.54½
2 C. W.	1.64⅛	1.56⅞	1.55⅛	1.51¼
Rye:				
2 C. W.	.50⅝	.48⅜	.48¾	.48

Winnipeg Grain Futures

Week to Mar. 10, 1941

Crop year from Aug. 1, 1940 High	Low		Open Mar. 4	High for week	Low for week	Close Mar. 10	Close year ago
		Wheat					
.79⅛	.71⅝	May	.77¼	.79⅛	.77⅛	.79	.89½
.80¾	.77½	July	.78⅞	.80¾	.78¾	.80⅝	.90⅝
		Oats					
.35⅞	.26⅝	May	.34⅛	.35⅝	.34⅞	.35⅝	.40⅞
.33⅞	.29½	July	.33⅝	.33¾	.33⅝	.33⅝	.39⅛
.32	.30¾	Oct.	.31⅞	.32	.31¾	.32	.35⅝
		Barley					
.50⅛	.33⅝	May	.47⅞	.50	.47¾	.49⅞	.53⅞
.45⅝	.39⅞	July	.44⅛	.45⅛	.44⅛	.45	.52
		Flax					
1.68⅛	1.16	May	1.58⅝	1.68⅛	1.58⅝	1.67	2.07¾
1.65⅜	1.29½	July	1.57	1.65⅜	1.57	1.64	2.05¾
1.59½	1.44¾	Oct.	1.53½	1.59½	1.53½	1.59½	1.98½
		Rye					
.52	.44¼	May	.50	.51⅞	.49¾	.51¾	.73⅝
.52⅝	.47⅞	July	.50½	.52⅝	.50½	.52⅝	.73½

LAKE OF THE WOODS MILLING CO., Ltd.
Makers of FIVE ROSES FLOUR
Mills at
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FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
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Sarnia, 3 Million Bushels
The most modern facilities for the storage and transfer of grains, for grain conditioning, and for the production of MASTER FEEDS for Livestock and Poultry. MASTER FEEDS are endorsed and recommended by leaders in the livestock industry of Canada.
QUEEN'S QUAY - - TORONTO

GRAIN MERCHANTS
RECEIVERS · SHIPPERS · EXPORTERS
Owning and Operating Terminal, Transfer and Country Elevators
Capacity 12,500,000 Bushels
MEMBERS
Winnipeg Grain Exchange
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New York Produce Exchange
and other Exchanges
Head Office, WINNIPEG - Private wires connecting offices across Canada
JAMES RICHARDSON & SONS
EST. 1857 LIMITED

Company Reports

Can. Gen. Electric

Canadian General Electric Co. reports net profits for 1940 equivalent to $11.78 a share on its common, against $10.88 a share in 1939. Dividends paid last year totalled $8 a share compared with $6 in 1939.

The gain in net is reported in spite of a rise in tax provision from $412,259 for 1939 to $3 millions for 1940. Operating income is approximately doubled, but the heavy requirement for taxes accounts for the relatively small gain in net profit.

During 1940 $215,000 was paid into the pension trust, making a total of $1.2 million paid into this trust. Pension disbursements in 1940 totalled $64,328 and total disbursements since inception of the plan have been $570,630.

An additional 4,000 shares of special employees' preference were issued last year. This additional issue provided for subscriptions under the Employees' Savings and Investment Plan. Employees' holdings at Dec. 31 last totalled 41,983 shares. During the 14 years the plan has been in operation employees have received $1.2 million in dividends and extra payments. An extra of 1¾% was paid for 1940.

Consol. Income and Surplus Account Years Ended Dec. 31

	1940 $	1939 $
Operating income	5,370,598	2,748,039
Add: Invest. income	761,531	694,269
Profit on secs. sold	200,437	......
Net earnings	6,332,566	3,442,308
Less: Depreciation	823,454	690,793
Salaries & legal exp.	182,853	174,769
Directors' fees	13,335	14,460
Income & E.P. taxes	3,004,905	412,259
Net profit	2,308,019	2,150,027
Less dividends:		
Preferred	96,875	95,000
Common	1,510,760	1,133,070
Surplus for year	700,384	921,957
Add: Prev. surplus	8,955,127	8,033,170
Earned surplus fwd.	9,655,511	8,955,127
Earned per Share:		
Common	$11.78	$10.88
Paid	8.00	6.00
Shares o/s:		
Preference, $50 par	42,000	38,000
Common, $50 par	188,845	188,845

Working Capital

	$	$
Current assets	22,842,845	17,579,200
Current liabilities	6,716,237	2,343,466
Working capital	16,126,608	15,235,734

Balance Sheet Changes

	$	$
Cash	3,900,955	2,111,406
Govt. bonds	8,531,437	7,681,500
Accts. & notes rec.	5,191,296	3,084,112
Inventories	9,908,481	6,030,932
Adv. pay. on contracts	4,689,325	1,338,750
Accounts payable	1,933,285	1,384,983
Taxes payable	3,452,226	651,465
Investment securities*	3,432,497	3,418,582
*Market value	3,670,126	4,110,368

Canadian Industries Ltd.

Canadian Industries Ltd. reports broad expansion in earnings for 1940, but after provision for a sharp increase in taxes, net profits of $7.27 a share on the class A and B stock compared with $8.52 a share the year before.

Net revenue, after depreciation, amounted to over $8.9 millions for 1939, as against $7.6 millions the year before. Tax reserve was increased from $1.4 million to more than $3.5 millions, while net earnings available on the common stock of slightly over $5 millions compared with $5.9 millions in 1939.

The balance sheet shows a moderate contraction in net working capital which stood at $14 millions at the close of 1940. Holdings of cash in government securities declined from $6.8 millions to $4.3 millions. Inventories increased from $2.1 millions to $10.2 millions, while property account advanced a like amount to $36.4 millions. At the end of the year there were outstanding 615,974 A shares and 80,971 B shares. Outstanding A shares remain unchanged, while the issued B shares show an increase of nearly 3,900.

Income and Surplus Account Years Ended Dec. 31

	1940 $	1939 $
Income from:		
Oper.	(a)8,071,412	6,874,007
Invest.	871,379	775,217
Prof. on sale of marketable sec.	16,384	4,219
	8,959,175	7,653,443
Tax res.	3,563,012	1,421,300
Net inc.	5,396,163	6,232,143
Pfd. div.	325,500	325,500
Com. div.	4,878,615	5,197,898
	192,048	708,745
Prev. surp.	4,348,231	3,639,486
Total	4,540,279	4,348,231
Tax adjust.	144,516	......
Earn. surp.	4,395,763	4,348,231
(a) After:		
Depreciation	1,815,505	1,722,208
Directors' fees	20,000	20,758
Exec. remun.	580,645	707,740
Legal expenses	5,489	5,382
Earn. per sh., common	$7.27	$8.52

Working Capital

	1940 $	1939 $
Current assets	20,047,990	20,018,830
Current liabs.	5,992,342	4,262,617
Working capital	14,055,648	15,756,213

FIRM DISSOLVED

From Our Own Correspondent

MONTREAL.—H. Austin Ekers has advised the Montreal Stock Exchange and Curb Market that the partnership of Ekers, Cushing & Co. was dissolved on March 10. The partnership was formed in 1913.

Week in Mining

C.I.M.M. Meetings Draw Many to Montreal

Gatherings Hear Total of 20 Speakers With Emphasis Placed on Mining Problems, Their Solution and Mining's Contribution to the War Effort

Over 700 mining men from across Canada, and a considerable number from the United States, invaded Montreal the first of this week for the three-day annual convention of the Canadian Institute of Mining and Metallurgy. A particularly large group moved in from Canada's north country, with the overnight train from North Bay made up in three sections to accommodate all the members and their wives.

General emphasis of speakers of the convention was on three chief points: how mining problems can and are being solved across Canada; development of our mineral resources; and the contribution of Canada's mining industry to the war effort. Much new and interesting material was placed on the record.

The score of speakers to the convention included no less than three Dominion controllers, H. D. Scully, the steel controller; J. McG. Stewart, the coal controller, and George C. Bateman, the Institute's president, who is metals controller.

Speeches given during the convention included:

"The Sydney Coal Field, Probable Shape and Extent of Submarine Extension and Economic Conclusions," by Dr. F. W. Gray and Dr. R. Heath Gray; "The Rockburst Problem," by Dr. George B. Langford; "Strategic Metals and Minerals in Canada," by W. B. Davis and G. C. Monture; "Caving Replaces Open Pit Mining at the Asbestos Mines, Johnson Co., Thetford Mines," by the staff; and "Ore Dressing Laboratories," School of Mines, Laval University, Que., by C. E. Rogers.

* * *

Mining Climbs

For years people have been thinking of Saskatchewan as only a farming province and as anything but a mining province. But, in spite of this, steady progress has been in mining in the last few years. The province has now two big sources of output, the Flin Flon mine of Hudson Bay Mining & Smelting, which sits astride the Saskatchewan-Manitoba boundary and the Box property of Consolidated Smelters at Goldfields.

Last year metal production of Saskatchewan increased no less than $1,154,000 to $6,203,389. Gold was responsible for the bulk of the increase in value, growing nearly $1 million. Volume of output increased from 49,660 to 77,000 ounces so that the increase in value was not altogether due to the higher price of gold.

* * *

New Report Set Up

This year Noranda Mines, like many other companies, has omitted figures on production value, tonnage of ore milled and ore reserves, to avoid disclosing information that might conceivably be of value to the enemy.

While information along this line has been curtailed, the company for the first time includes balance sheets of important subsidiary operations together with the interest held in each. This gives shareholders a much better idea of the breadth of the company's operations. A further change that might be considered would be presentation of a consolidated balance sheet for Noranda and the companies it controls.

* * *

Engineers Aid War

Last week it was disclosed that Canadian mining and metallurgical engineers have been nearer "the firing line" than many people realized. When the importance of a speeded-up war effort was realized after the collapse of France, 20 mining engineers were taken from across Canada and sent to the Old Country to study munition manufacturing methods there.

These men have now completed their studies and will be available for widening of the Canadian gun and munition programme now getting under way. Skilled engineers, metallurgists and chemists have become increasingly scarce for the munitions industry recently and the mining industry is helping fill the gap. Some of the mining companies are lending their skilled research workers to step up the war effort.

* * *

Joins Dividend Ranks

The long list of dividend-paying Canadian mines continues to grow. Latest company to commence distributions is Negus Mines, operating in the Yellowknife. Outside of Yukon Consolidated, Negus is probably this country's most northerly dividend-paying gold mining operation. Yukon Consolidated, however, can hardly be considered a mining operation as it is interested in gold dredging. Negus succeeded in the face of high transportation and power costs. Now, however, Negus is securing cheap hydro-electric power which is expected to bring costs down sharply.

Further dividend payers are expected to be added during the current year. Jason Mines, for instance, may commence dividends in the not distant future, from what President E. M. Thomson told shareholders at the annual meeting last week.

NEW C.I.M.M. HEAD

Newly-elected president of the Canadian Institute of Mining and Metallurgy is W. G. McBride, head of the Department of Mining and Metallurgy at McGill University.

Professor McBride brings to his new position a broad experience in mining both in this country and in the United States.

Sullivan Opens 4 New Levels

Possibility Seen of Early Increase in Mill — To Extend Both Shafts

From Our Own Correspondent

AMOS.—An extensive programme of development at Sullivan Consolidated Gold Mines is reaching the stage where a step-up in present milling rate of 340 tons is seen likely.

The No. 2 inclined shaft has been completed to 1,150 ft. and lateral development is now under way on the 6th, 7th, 8th and 9th levels. The shaft is to be continued and two more levels opened at the 1,250 and 1,350-ft. horizons. This work should be completed by mid-year, after which consideration may be given to extending the No. 1 shaft, now bottomed at 1,150 ft., to 1,650 ft. Five new levels would be established.

Cross-cuts on the 6th and 7th levels of the No. 2 shaft already are in the main or A ore body. Drifting has started in ore on the 6th, the last two rounds showing 0.5 oz. grade over 2.5 ft. in typical sheared structure.

900 Feet on "A" Vein

On the 11th level of the No. 1 shaft area, the A vein has been developed for length of over 900 ft. with quartz three to five ft. wide and carrying visible gold freely. Mining widths of six to seven feet are said likely, and average grade is indicated at above mine average. A raise to the 10th level was in ore to within 40 ft. of the level.

Lateral development continues in the No. 2 and No. 4 ore bodies on the same level, with favorable shearing disclosed on the No. 4 structure. No. 2 has been indicated by three drill intersections, and the crosscut is approaching the zone.

Ore reserves at the end of 1940 are reported at about 320,000 tons of 0.3 to 0.32 oz. grade. This compares with 368,700 tons averaging 0.303 oz. a year previous.

Steep Rock Query Normal

Not Asking Special Subsidy For Further Development

Two outstanding engineers confirm the proposed diversion of the Seine River and draining of Steep Rock Lake as both a feasible and economical method for mining the Steep Rock ore bodies at present lying under the surface of the lake, according to company officials.

Contrary to the interpretation placed on President Errington's statement last week in some quarters Steep Rock is not counting on Government subsidy to place Steep Rock in production.

What the company wants from the Government is co-operation in aiding Steep Rock to reach production by (a) giving permission to divert the waters of the Seine River and for draining Steep Rock Lake and (b) to make power available for this new industry.

The first point requires no Government financial assistance, while the second is the usual business proposition by which the Hydro-Electric Power Commission of Ontario and a mining company arrange a deal for power.

Ore Body Checked

Already pioneering work of verifying the ore body's size and quality has been done. The Government has now been asked to study the power needs.

A large sum of money will be required to prepare the Steep Rock iron ore range for open pit mining—but relatively modest compared with the indicated tonnage of ore available and the cost of other operations. The Hudson Bay Mining and Smelting project cost $27 millions to complete; Sherritt Gordon Mines required over $5 millions. Aside from the cost of supplying power, the management expects that putting Steep Rock into production will not cost as much as $5 millions—perhaps not more than $4 millions. The management is still working on plans and cost estimates which will likely be made public within the month.

Output Possibilities

With production of one to two million tons of ore annually within the realm of possibility, writing off the cost of the project would not represent a heavy fixed charge, it is considered.

Want Co-operation, Not Subsidy

Within the past two years the Helen siderite ore deposit has been opened and a beneficiation process has been established that makes a marketable product. A bonus of 2 cents a unit or $1 a ton is being received with the bonus now running around $300,000 a year with the legislation running for ten years. Only part of this product is being marketed in Canada. Steep Rock is not asking for a bounty, officers state, but is asking the Government for the right to divert and drain hampering waters and for co-operation in supplying power. The power angle is of first importance to development of Steep Rock just as it has been of first importance in development of all large mining projects in Canada.

Broulan Ore Jumps 11%

Reserve of 514,800 Tons Higher Grade Than Year Ago

An 11% boost in ore reserves and slight increase in grade is reported by Broulan Porcupine Mines at Dec. 31, 1940, compared with a year previous. Tonnage of 514,800 averages 0.282 oz. per ton, cut grade, up from 463,000 tons grading 0.241 oz. at the end of 1939. G. H. Gibbs, mine manager, estimates that recovery should total $5.6 millions, based on $38.50 gold.

Bert W. Lang, president, reports that the 1941 development programme is designed to explore more distant sections of the property, and includes extension of the drift on the bottom 523-ft. level toward the east and west limits of the property.

Mr. Gibbs states that most of the ore bodies indicated by diamond drilling were developed during 1940 with favorable results. The No. 2 zone has disclosed commercial ore in sections not indicated by earlier diamond drilling, while development of the No. 1 zone on the third level proved both grade and tonnage to be higher than indicated by drilling. An extension of No. 6 zone for 200 ft. to the east on the second level is indicated by drilling, but it remains to be developed and is not included in reserves.

Income and Surplus Account

	12 Mos. ended Dec. 31 1940	Nov. & Dec. 1939
	$	$
Bullion recovery	1,190,484	105,820
Less: Marketing	13,529	1,195
	1,176,955	104,625
Less: Develop. & min.	241,650	12,958
Trucking	45,166	7,187
Milling & rental	130,881	22,706
Gen. mine exp.	25,154	5,357
Man. and off.	21,611	2,720
Engineering serv.	5,211	1,043
Taxes	360	154
Insurance, etc.	15,335	1,478
H. O. & gen. exp.	13,699	2,762
Net oper. profit	677,887	48,259
Add: Non-oper. rev.	850	515
Total net revenue	678,738	48,774
Less: Depreciation	24,537	2,982
Deferred dev. w/o	54,926	7,456
Prov. for taxes	81,300	......
Net profit	517,975	36,936
Earnings per Share and Dividend Record:		
Earned	$0.19	$0.015
Paid	0.06	nil

Working Capital At Dec. 31

	1940	1939
	$	$
Current assets	204,401	114,797
Current liabilities	169,523	37,361
Working capital	34,878	77,436

Week in Oils

Turner Valley Flow Fails to Meet Quota

February Production Falls 6% Below Allotment With Output Still Slow — Tanner Plans Big Move to Boost Industry

From Our Own Correspondent

CALGARY.—Turner Valley crude output for February fell 1,465 bbls. a day below the allotment of 26,000 bbls. Reason given is that completion of new wells is not keeping pace with the decline in production of old ones and the growing prairie market.

The sizeable number of new well completions due this spring and summer is expected substantially to increase field potential. Civilian needs have been supplemented this year by the demands of the Empire Air Training Plan. Thus, the market is likely to expand gradually during the next few months, then possibly jump by leaps and bounds when the wheat harvest gets under way. During the large harvest last summer, oil was imported from Montana though Turner Valley was running above rated capacity.

February Failure

The February failure to maintain production at allotted levels is credited to two factors. The four wells completed late in December or during January, and assigned 1,100 bbls. daily, have been considerably slower than expected in launching steady production, and February yield was only a fraction of allotment. Second, to maintain efficient production it has been necessary for operators of a number of older wells to curtail yield below legal allowables.

Hoping to improve this month, operators have opened up many wells in some cases to what appears maximum efficient rates. In the interests of efficiency, the allowables of a number of wells have been reduced.

At least three and possibly four completions are expected this month, compared with none in February.

Reports for the first few days of March indicate a daily average yield of slightly better than 25,000 bbls. This suggests that allowable production of 806,000 bbls. is not likely to be reached, unless production can be boosted to 27,000 bbls. daily for a like period.

* * *

Government Helps

The Alberta Government has just announced through Mines Minister Tanner that 15 large areas throughout Alberta will be withdrawn from reservation under the provincial petroleum and natural gas regulations. This is part of sweeping plans the Government is drawing up to speed the discovery of new oil and gas fields.

The latest move is designed to concentrate more intensified exploration in areas adjacent to transportation and markets, and to provide reserves for further development as market and circumstances permit. Further, it is regarded as a preliminary to introduction in the Legislature, possibly this week, of new regulations designed to assist in the development of these prospective oil and gas areas.

* * *

Two New Wells

The number of Turner Valley drilling wells was increased to 28 last week, with two more spudded in. Renown Royalties 1 had reached over 300 ft. Drilling is being financed by an issue of preferred net royalties, principal backers being Snyder and Head Ltd., George Harris and W. C. Fisher.

Active drilling is scheduled to be under way soon at Atlas-British Dominion 2 well, two miles northwest of Alberta Oil Incomes 2. Contractor is the Atlas Drilling Co., with Glen Boller in charge. The test is on C.P.R. land subleased from Home Oil. It is subject to 20% gross royalty. Financing is by issue of 55% preferred net royalty, each 1% being preferred to $4,000. Backers include the British Dominion Oil & Development Corp., Wales Petroleums Ltd., Atlas Investments Ltd., Atlas Drilling Co., C. C. Cross and associated companies.

* * *

Two New Fields

Standard Oil of B. C.'s Princess 2 well has commenced core-drilling at 3,130 ft. and is at or into the lime. A formation test between 3,149 and 3,166 ft. showed one million cubic feet of dry gas.

The Diesel-rotary rig for Princess 4 is expected to start drilling this week.

At Moose Dome, McColl-Frontenac 1 is beyond 4,753 ft., with drilling to be halted for extended tests as soon as a change of formation is encountered.

CENTRECOUR CALLS MEETING

A special meeting of shareholders of Centrecour Gold Mines being held on Mar. 14 will be asked to approve sale of the company's assets to a new company to be known as Crosscourt Gold Mines, on a share exchange basis of one new for four old.

Work Being Resumed By Wolfe Lake Mines

Following dewatering of its No. 2 shaft, Wolfe Lake Gold Mines plans to carry out further drifting on its 200-ft. level. Raising on ore is expected to be under way by April 1.

Negotiations are being undertaken with the Ontario Department of Highways to open a road to the No. 2 shaft. W. W. Beaton has been named resident engineer at the property. Consulting engineer is G. R. McLaren.

Mining Concentrates

Brett Trethewey Mines will remain dormant until after the war is over, F. L. Trethewey, president and managing director, states. Mr. Trethewey is now on active service with the R. C. A. F. Balance sheet at end of 1940 showed $487 cash, 5,000 shares of Argosy Gold Mines, 284 shares of Casummit Birch Lake Syndicate and certain other interests. There were no current liabilities written off. Property holdings comprise 160 acres in Bainet twp., 55 acres in the Fort Hope area and a third interest in 15 claims in Swayze twp.

* * *

Consolidated Mining and Smelting Co. received a total of 2,332 tons of ore and 41 tons of concentrates at its Trail smelter in February. Largest shipment was one of 637 tons from Highland-Bell at Beaverdell, B.C. Next largest shipment was 261 tons from the Union mine at Grand Forks, B.C.

* * *

Cochenour-Willans Gold Mines profit for 1940 is estimated at in the neighborhood of $330,000 or 11 cents a share with $30,000 allowed for taxation. At the end of the year working capital was reported to be approximately $350,000. Stopes on the 125-ft. level are stated to have shown in the neighborhood of 700 tons of ore per vertical foot. Sinking of a new shaft is planned to explore the Kelson property. Surface prospecting and trenching on the Kelson ground have disclosed the extension on strike of the important quartz carbonate and mineralized rhyolite zones. Underground work is expected to be under way in the third quarter of this year.

* * *

Golden Gate Mining Co. reports that Junior Gold Securities Corp. has underwritten 100,000 shares at 5 cents a share, or for $5,000 of which $2,500 has been paid with balance payable by April 5. An additional 100,000 shares have been optioned at 5 cents a share, 200,000 at 7½ cents a share, 200,000 shares at 10 cents a share and 200,000 shares at 15 cents a share. The option is to be exercised at the rate of not less than $2,500 every 30 days with the first payment by May 4. In event of default the agreement can be terminated on 15 days' notice.

* * *

Hard Rock Gold Mines is estimated to have had an operating profit around $630,000 in 1940. Development of the south part of the north ore zone above the second level is stated to have resulted in the company's maintaining its ore position. A series of diamond drill holes is said to have indicated two lenses of ore with widths up to 30 ft.

* * *

Kert-MacDonald Red Lake Gold Mines has called a special meeting of shareholders for Mar. 14 to receive the report of the liquidator on winding up the company's affairs and to ratify transfer of the company's 11 claims to C. A. Gentles, J. A. Kert and S. Zacks in settlement of the company's indebtedness to them.

* * *

Magnet Consolidated Mines has declared a dividend of 7½ cents a share payable April 10 to shareholders of record Mar. 28.

* * *

McWatters Gold Mines has opened up its new ore shoot on the 1,200-ft. level for a length of more than 90 ft. averaging about $14 a ton over 15 ft., it is stated.

* * *

Madsen Red Lake Gold Mines offer to purchase the Rouge-D'Or property of 15 claims for $253,000 and 20,000 shares of the company's stock has been approved by Rouge-D'Or shareholders. Madsen officials estimate that a possible 60,000 tons of ore grading about $8 a ton is indicated by drilling done on the Rouge-D'Or ground. Plans call for exploration of this zone by driving east from the Madsen workings. Farthest advanced work to the east in the present Madsen workings is thought to be within a quarter of a mile of the favorable Rouge-D'Or zone. Other possibilities for new ore also exist and will in turn receive attention, it is stated. As a result of the large sum involved in the Rouge-D'Or deal, Madsen may not declare its next dividend as early as would otherwise have been the case.

* * *

Northern Empire Mines Co. has declared a dividend of 20 cents a share payable April 15 to shareholders of record April 4.

* * *

Premier Gold Mining Co. has declared its regular quarterly dividend of 3 cents a share payable April 15, 1941, to shareholders of record March 15, 1941.

* * *

Rouge-D'Or Mines has secured shareholders' approval for sale of the company's property of 15 claims to Madsen Red Lake Gold Mines whose property adjoins. The sale costs Madsen Red Lake Gold Mines $253,000 cash and 20,000 shares of Madsen stock.

* * *

Sand River Gold Mining Co. net loss for 1940 amounted to $24,534 compared with a net loss of $3,015 the previous year. Working capital at the end of 1940 was $75,175 against $121,158 the year before. The company's notes issue has been reduced from $180,000, the original amount, to only $36,000 at present, having been reduced $36,000 since the end of the year. Ore reserves at the end of 1940 totalled 28,800 tons averaging 0.344 oz. as against 28,000 tons averaging 0.38 oz. a year previous.

* * *

Tombill Gold Mines has declared a dividend of 5 cents a share payable April 10.

* * *

Wesdel Porcupine Gold Mines has commenced diamond drilling on its property adjoining west of Delnite Mines in the Porcupine area. Financing was arranged with a stock and option deal which placed $25,000 in the company's treasury for the present programme.

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LEGAL NOTICE

UNDER THE WINDING UP ACT

In the matter of:

RED GOLD MINING CO. LTD.

In Liquidation

TENDERS

Acting upon the instructions of the Inspectors, Tenders will be received by the undersigned liquidator at his office, 10 St. James Street East, Montreal, until Monday, March 24th, 1941, at 12 o'clock noon, for the purchase of rights that the Red Gold Mining Company Ltd. have and may have in any of the undermentioned mining claims:

Tenders will be received for the purchase of these mining rights "En bloc," consisting of mining claims and mining concession numbers, as follows:

Nos. R-11366, R-11367, R-11368 and R-11369, R-13336, R-13337, M.L. 1813, D.L. 1225, M.L. 1815, Mining Concession No. 218. Approximately 668.5 acres.

A considerable amount of development work has been done on these claims.

A power line as well as a good gravel motor road crosses claims M.L. 1813 and M.L. 1815.

This group of claims is located in the centre of the Rouyn Camp. Many well-known mines are in the immediate vicinity including, Noranda, Stadacona, McWatters and others.

The claims are bound by the Bagamac — Norlakes — Glenwood — Stadacona and Senator properties.

A certified cheque representing 10% of the amount must accompany each tender. The cheque will be returned if the tender is not accepted.

The Inspectors do not bind themselves to accept the highest nor any of the tenders.

The purchaser will have no recourse against the vendor for any cause whatsoever.

For further information and conditions of the sale apply to

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Position of Chartered Banks of Canada as of January 31, 1941, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal	19,286,045	45,208,204	18,789,041	....	286,768,361	435,284,748	90,797,238	3,079,928	10,848,711	9,853,720
Nova Scotia	7,269,138	7,994,927	1,034,622	....	64,704,203	156,571,631	43,283,074	2,605,218	1,708,460	1,033,428
Toronto	3,114,019	4,532,576	1,348,346	....	46,015,132	89,322,175	475,001	233,157	1,023,651	597,773
Provinciale	2,294,458	2,895,335	359,787	....	9,185,026	38,336,001	10,290	907	2,141	16,303
Commerce	16,112,606	20,933,820	20,187,981	....	189,661,055	322,110,699	68,094,710	337,603	3,840,987	5,813,049
Royal	20,779,233	24,166,341	10,046,221	....	278,179,591	345,040,978	198,953,174	27,901	3,223,101	7,880,426
Dominion	3,972,639	6,029,222	1,081,817	....	41,467,123	78,646,446	4,942,995	1,272,001	1,000,512	541,409
Nationale	3,872,482	5,645,348	2,102,216	....	34,047,654	100,182,085	399,404	1,742,777	92,228	360,375
Imperial	4,315,635	6,786,045	11,959,047	....	55,201,892	96,352,664	207,049	1,106,912	1,438,942	779,942
Barclay's (Canada)	439,900	4,237,380	11,261	....	3,993,165	6,282,988	2,696,667	37,051	3,115,401	864,259
Total	81,456,155	128,429,198	66,920,339	....	1,009,223,202	1,668,130,415	409,859,602	10,443,455	26,294,134	27,740,684

NAME OF BANK	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$
Montreal	....	12,717,532	3,974,137	755,974	39,000,000	36,000,000	1,012,363,645
Nova Scotia	....	7,186,076	779,551	12,966	24,000,000	12,000,000	330,183,300
Toronto	....	1,972,604	....	150,630	9,000,000	5,000,000	163,785,067
Provinciale	....	14,518	11,686	4,154	1,000,000	4,000,000	58,130,610
Commerce	....	22,568,517	....	625,678	20,000,000	30,000,000	720,286,711
Royal	11,575	20,649,312	1,052,022	735,291	20,000,000	35,000,000	965,746,171
Dominion	....	1,818,818	815,795	176,875	7,000,000	7,000,000	155,765,657
Nationale	....	417,856	33,675	147,739	5,000,000	7,000,000	161,043,844
Imperial	....	2,169,374	....	183,045	8,000,000	7,000,000	195,500,552
Barclay's (Canada)	....	392,750	....	....	750,000	1,500,000	24,320,824
Total	11,575	69,907,357	6,666,866	2,793,352	133,750,000	145,500,000	3,787,126,381

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are Partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	472,171	98,495,815	19,286,045
Nova Scotia	15,000,000	12,000,000	12	2,689,223	25,056,000	8,056,989
Toronto	10,000,000	6,000,000	10	423,937	17,006,046	3,307,799
Provinciale	5,000,000	4,000,000	6	169,330	6,997,018	2,447,973
Commerce	50,000,000	30,000,000	8	1,354,662	56,238,483	16,112,606
Royal	50,000,000	35,000,000	8	1,518,707	65,886,609	22,506,118
Dominion	10,000,000	10,000,000	10	544,346	14,757,573	3,972,639
Nationale	10,000,000	7,000,000	8	344,429	17,012,846	4,045,857
Imperial	10,000,000	7,000,000	10	539,106	14,455,166	4,315,635
Barclay's (Canada)	1,500,000	1,500,000	....	800	2,333,684	472,000
Total	211,500,000	145,500,000	....	8,056,711	318,239,330	84,529,241

▲ Of this amount 45,003,790 represents deposits in Canada in currencies other than Canadian. * And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal*	1,958,677	93,441	22,877,647	82,757,198	604,465	399,711	30,273,171	559	3,861,100	50,811,645
Nova Scotia	449,137	1,155,825	6,250,111	16,882,079	145,548	5,902,405	9,549,328	....	6,435,125	12,484,140
Toronto	306,108	....	3,595,326	12,348,471	88,985	54,732	6,336,098	....	51,819	2,641,943
Provinciale	309,553	....	1,975,130	4,509,437	101,160	39,718	1,944,251	....	....	918,826
Commerce	1,161,681	147,257	12,867,003	36,153,033	311,641	1,374,515	21,313,856	299,270	6,726,475	26,631,317
Royal‡	1,906,086	1,998,440	18,221,111	43,040,901	587,625	21,178,221	32,975,050	4,609	15,051,881	41,013,200
Dominion	338,159	227	2,704,005	10,688,739	186,450	117,629	4,797,699	....	1,471,144	2,456,975
Nationale§	668,680	....	5,041,452	10,597,560	161,190	48,080	5,184,626	1,273,218	6,443	1,489,819
Imperial	452,677	....	5,169,108	6,282,773	163,385	60,379	9,644,728	642,779	75,363	2,618,771
Barclay's (Can.)	2,566	....	70,524	2,291,411	620	4,145	1,050,317	761,549	1,719,390	2,815,783
Total	7,553,324	3,395,190	78,771,417	225,551,602	2,351,069	29,179,535	123,069,124	2,982,074	35,398,740	143,882,419

NAME OF BANK	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere
	$	$	$	$	$	$	$	$	$
Montreal*	243,309,118	203,813,607	19,724,275	14,516,578	26,231,316	3,206,428	15,253,608	212,577,194	16,950,715
Nova Scotia	49,065,330	69,097,446	11,592,795	735,851	10,646,604	4,448,242	195,641	91,419,485	14,561,864
Toronto	24,727,743	46,693,018	4,085,166	....	3,755,049	1,179,175	....	52,716,428	....
Provinciale	1,951,364	11,340,726	12,809,734	....	1,519,184	2,816,292	....	12,624,150	....
Commerce	102,929,138	143,281,471	10,047,776	27,775,189	17,905,411	7,941,721	8,190,939	215,840,398	16,307,040
Royal‡	198,384,066	155,637,543	6,638,135	9,915,847	32,026,422	7,708,407	13,209,623	223,738,837	82,079,888
Dominion	24,268,742	22,227,385	1,970,971	222,500	1,793,045	1,898,658	1,547,161	70,177,521	1,208,524
Nationale§	16,533,598	31,186,549	17,263,163	9,673	4,518,905	3,546,167	....	47,576,512	....
Imperial	42,067,223	36,132,698	7,658,803	....	57,031	2,888,665	....	68,563,983	....
Barclay's (Can.)	2,911,025	8,232,417	1,000	....	....	195,125	....	3,415,667	....
Total	706,147,347	727,642,860	91,791,818	53,175,638	98,452,967	35,828,880	38,396,973	998,650,175	131,108,031

NAME OF BANK	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets•
	$	$	$	$	$	$	$	$	$
Montreal*	1,227,897	31,508,602	1,043,008	488,905	462,945	13,900,000	1,075,362	1,966,236	1,013,610,954
Nova Scotia	401,323	3,189,339	398,200	....	82,429	6,255,436	449,170	2,463,993	331,442,836
Toronto	....	2,762,494	64,244	....	8,570	3,255,855	187,406	....	166,831,243
Provinciale	13,395	2,361,692	80,500	493,707	294,597	2,076,947	140,978	89,320	58,425,188
Commerce	7,463,637	12,536,746	1,772,786	2,341,352	1,092,905	14,214,071	847,000	4,243,582	724,285,749
Royal‡	955,997	17,739,171	1,784,892	2,074,114	667,706	14,427,810	1,340,000	3,989,319	968,944,317
Dominion	....	529,170	185,565	29,247	48,981	5,486,373	264,550	203,339	156,641,567
Nationale§	508,637	7,532,465	191,255	1,719,489	589,182	4,896,332	251,767	226,694	161,439,221
Imperial	504,550	4,443,561	365,062	70,093	307,977	5,753,934	260,261	78,992	196,432,209
Barclay's (Can.)	....	....	6,835	....	....	450,000	20,556	....	24,341,0[illegible]
Total	11,075,436	82,603,240	5,892,347	7,216,907	3,555,292	70,716,778	4,837,050	13,261,475	3,802,395,171

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡The assets and liabilities of the Royal Bank of Canada (France) are not included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale (France) are not included in above return.—Footnote to Banque Canadienne Nationale return.

• Total assets include $69,907,357 letters of credit as shown in liabilities.

Puts Two-thirds Investment in Golds

First Honorable Mention Contest Winner's Choice

This week The Financial Post presents the first of the honorable mention portfolios in its contest on "Investing in Canada's Mines." The entry is that of Douglas Crone, statistician of C. C. Fields & Co., Toronto.

As was the case with prize-winning entries and portfolios published here the last two weeks, opinions expressed are those of the writer and do not necessarily represent those of either The Financial Post or the contest judges.

By DOUGLAS CRONE

This being a period when all investments are affected by war, today's investor must consider the probable bearing of this conflict on the industries represented by his security holdings.

Now, more than ever before, careful discrimination must be made in the preparation of an investment portfolio and the already tremendous and still rapidly expanding mining industry of Canada must not be overlooked.

Before the last Great War broke out in 1914 this Dominion produced a paltry $10 millions in gold annually, and our base metal industry was as relatively unimportant. This year, 1941, the yellow metal is pouring forth in such a torrent that it gives promise of shortly touching the one quarter billion dollar mark, while our total mineral output of nickel, copper, lead, zinc, cobalt, asbestos, etc., will swell this sum to well over the $500 millions mark.

Foreign Exchange Provided

These are large figures for a young country and become even more impressive when it is considered that these minerals are exportable commodities and providers of foreign exchange. Our base metal output goes largely to Britain. Gold is now our main source of precious American dollars.

As a war measure it has become imperative that the production of gold be fostered and increased to offset our rapidly expanding purchases of war supplies in the U. S. A.

Giving official recognition to this necessity the heads of our government have publicly and repeatedly stated that the mining industry is to receive preferential treatment.

Mines in Favored Position

This special consideration means that many a war-begotten worry will pass by the mines, and the securities representing this phase of Canadian business should reflect this to a measurable degree.

Regardless of any particular favoritism resulting from war needs, the holder of mining stocks benefits in two substantial ways compared with the owner of industrial securities:

First the mining company is permitted a 33-1/3% depletion allowance in computing its taxable income.

Second the investor himself is allowed a 20% depletion allowance on all dividends received when compiling his personal income tax.

These provisions alone give mines a unique investment status during a period when all phases of the taxation question must be carefully considered.

In selecting a portfolio of mining stocks, careful classification is advisable. This is definitely necessary as, in attempting to evaluate a mine, one is not weighing the relatively clear-cut pros and cons of a man-made industrial company, but is, rather, dealing with a natural phenomenon.

Put more simply, the great majority of our better-class mines may have a long and profitable future indicated for them, but, without X-ray eyes, it is still exceedingly difficult to determine just which of our younger mines will be the Hollingers, Domes, McIntyres or Norandas or the future.

Sees Diversification Necessary

For this reason it is a wise move to spread the investment across the best of the expanding younger mines, as well as the established seniors and juniors.

This recommendation to employ widespread diversification is not, however, a suggestion to buy every reasonably meritorious issue on the market. Such a policy defeats its own purpose, as no active businessman can be expected to keep abreast of all the changing developments at the properties of too extensive a list of mines. It is possible though, and distinctly advisable, to make a fairly comprehensive selection from each of the respective groups of producing mines and to keep posted on their general outlook.

There is a suggestion which may well occasion considerable controversy among investment counsels, but it is a recommendation which I feel is the only safe and sound course for the average investor to follow. I mean that unless it is desired to speculate with a portion of one's funds, only the shares of producing and reasonably well-established mines should be purchased.

No deviation from this policy should be considered by the true investor if he wishes to keep his chances of capital depreciation at the lowest possible minimum.

Penny Profits Come Later

It is quite true that fortunes have been and will be made by speculating in the penny stocks. But, in considering safety of capital, one cannot afford to overlook the high mortality rate in the prospect category. This definitely bars the investor from this class of security, particularly on his early ventures into mining investment.

At a later date, when he is more seasoned and has realized some profits, he may wish to deviate from this iron-clad rule, but it should be carefully noted that the funds so used are for speculation as distinct from investment.

Many regular buyers of mining shares feel that only by purchasing cheap, relatively unproved prospects can they hope to realize substantial appreciation of capital. In actual practice nothing could be farther from the true facts. One has only to examine the market action of any number of our junior issues to discover that really handsome profits could have been realized by investing after the mine had come safely into production.

Selects These Stocks For $25,000 Investment

Number Shares	Security	Estimated Divid. Rate $	Annual Return $	Price $	Approximate Investment $	Yield %	Price Mar. 10 1941 $
	SENIOR GOLD MINES						
90	Dome	2.00	180.00	24.50	2,205	8.16	22.00
175	Hollinger	1.10	192.50	12.87	2,242	8.58	12.87
40	McIntyre	3.33	133.20	50.00	2,000	6.60	47.25
300	Wright-Hargreaves	.77	231.00	6.80	2,040	11.32	5.95
			736.70		8,487	8.68	
	SENIOR BASE METAL MINES						
50	Con. Mining & Smelting	2.25	112.50	38.00	1,900	5.92	36.00
75	Hudson Bay	2.00	150.00	25.25	1,884	7.85	24.87
60	International Nickel	2.20	132.00	35.25	2,115	6.24	33.50
40	Noranda	4.00	160.00	56.00	2,240	7.14	51.25
			554.50		8,139	6.56	
	JUNIOR GOLD MINES						
70	Bralorne	1.20	84.00	10.25	718	11.69	9.80
350	Central Patricia	.23	80.50	1.85	618	13.02	1.80
250	East Malartic	.40	100.00	2.77	693	14.41	2.63
200	Kerr-Addison	.20	40.00	3.50	700	5.71	3.60
150	Lamaque	.50	75.00	4.85	728	10.30	4.50
350	Little Long Lac	.30	105.00	1.99	697	15.06	1.75
300	MacLeod-Cockshutt	.20	60.00	2.18	654	9.17	1.90
175	Macassa	.40	70.00	4.15	726	9.64	3.65
225	Pickle Crow	.40	90.00	2.90	653	13.78	2.80
225	Preston East Dome	.35	78.75	3.15	709	11.10	3.00
300	San Antonio	.20	60.00	2.52	756	7.93	2.25
350	Upper Canada	.12	42.00	1.96	686	6.16	1.65
			885.25		8,338	10.61	

Classification:	Investment	Estimated Dividends	Yield
Senior Golds	$ 8,487.00	$ 736.70	8.68%
Senior Base Metals	$ 8,139.00	$ 554.50	6.81%
Junior Golds	$ 8,338.00	$ 885.25	10.61%
Total	$24,964.00	$2,176.45	8.71%

N.B. 1. Dividends shown in Canadian Funds.
N.B. 2. Prices taken from The Financial Post, Jan. 25, 1941.

Macassa, East Malartic, Kerr Addison, Preston East Dome, Upper Canada, to mention only a few, have all turned in splendid market performances since their first gold brick was poured, advances of several hundred per cent having been shown in some instances.

Obviously, by buying after the mill started turning over, the investor eliminates a very considerable amount of risk and yet is not throwing away his profit possibilities.

Another important point to be borne in mind is that from our present expanding juniors will develop the Hollingers and the McIntyres of tomorrow. Accordingly, there are still very big market advances in prospect for some of these now youthflul operations.

Quite naturally it is impossible to determine exactly which of these younger mines will be our future major producers, but, by diversifying among the most promising, one is certain to hold several trump cards and to reap the greatest benefits.

From this discussion on mining investment several guiding principles have evolved and these may well be condensed to advantage:

(1) Diversification is of paramount importance.

(2) Selections should be made from established senior and secondary mines as well as expanding junior operations.

(3) An extensive selection should be made; but not so large as to be cumbersome.

(4) Only the best should be chosen from each respective category.

(5) No speculation should be made in unproved prospects. It is advisable to wait until a mine is in production and presents a reasonably clear-cut forward picture before purchasing.

With these general rules to follow, the $25,000 investment of the businessman in question can now be considered more specifically.

Splits Portfolio in Three

In the first place the portfolio must be a carefully diversified one and to accomplish this I have divided the sum to be invested into three parts of roughly $8,000 each.

These sums of money should be used to purchase the stocks of three distinctly different groups of mines: Senior Golds, Senior Base Metals, Junior Golds.

Under the Senior Gold category are four outstanding major gold mines. Canada has other large golds which could reasonably be included in this group, but these four are unquestionably the prime securities in their class: Dome Mines, Hollinger Consolidated Gold Mines, McIntyre Porcupine Mines, Wright Hargreaves Mines.

The Senior Base Metals group includes the leading base metal and copper-gold mining operations of the Dominion and, in some instances, of the world: Consolidated Mining & Smelting, Hudson Bay Mining & Smelting Co., The International Nickel Co. and Noranda Mines.

Particulars on Issues

The eight companies now comprising our portfolio are unique in many ways and yet can be generalized to an important degree.

All of these organizations have the finest of management, a vital point in mining where costs are of prime concern.

The companies have a very strong financial position.

Without exception ore reserves are tremendous and, with the mines generally in the best shape in their history, there is every reason to believe that their future life can be measured in decades rather than in years.

Special features worthy of note:

(a) Senior Golds

Dome is a model of efficiency.

Hollinger is the largest gold mine in Canada.

McIntyre is not only a major mine but is a substantial investment trust as well.

Wright-Hargreaves is a high-grade mine in the best position in its history.

(b) Senior Base Metals

Consolidated Smelters is one of the world's outstanding base metal operations.

Hudson Bay is notable for its exceptional efficiency.

International Nickel controls the bulk of the world's nickel trade.

Noranda has a fortunate combination of copper-gold which affords exceptional control over output.

The investor is well fortified, with two thirds of his $25,000 portfolio invested in these par excellent securities. Not only is a splendid yield afforded, but capital appreciation possibilities are the very best should the mining market show general improvement.

Picks 12 Juniors

As to the remaining third of the investment, it has been split 12 ways in order that a reasonable number of the best and more promising of our younger operations can be included.

(c) Junior Golds

Well Established Producers with Long-term Growth Prospects

Bralorne Mines Ltd.
Central Patricia Gold Mines Ltd.
Lamaque Gold Mines Ltd.
Little Long Lac Gold Mines Ltd.
Macassa Mines Ltd.
Pickle Crow Gold Mines.

Attractive Juniors Exceptionally Near to Moderate-term Growth Prospects

East Malartic Mines Ltd.
Kerr-Addison Gold Mines Ltd.
MacLeod-Cockshutt Gold Mines Ltd.
Preston East Dome Mines Ltd.
San Antonio Gold Mines Ltd.
Upper Canada Mines Ltd.

The mines selected have, in each instance, several years' supply of ore blocked out or reasonably indicated ahead of their mill and there seems every assurance that further substantial ore will be developed.

The actual life of any mine is always highly problematical, but if the experience of Canada's major mines is any criterion, a long life is indicated for them which may well stretch into decades.

Growth Possibilities Secured

Six of the selected juniors have exceptional growth prospects over the near to moderate term future, which means that the possibilities of capital appreciation are excellent and there is every reason to believe that this group will be among the leaders in any market advance.

The remaining six secondary mines are well-established operations which have splendid records of gold production, net earnings and which have long, profitable futures indicated for them. Reasonable growth is suggested over the longer term and there is always the chance in mining that they may develop into really major operations.

The Portfolio Summarized

Summarizing our mining portfolio, the businessman receives a return of 8.71% on his money; he has excellent capital appreciation possibilities in both senior and junior issues; he receives an attractive depletion allowance on his dividends, and, as wars are fought on gold and base metals, he can reasonably expect continued preferential treatment for the duration as well as through the later reconstruction period.

In these troubled days it is difficult to see far ahead, but it is certain that Canada and mining are going forward, hand in hand, to forge a brighter future for us in the years to come.

CANADIAN MINERAL EQUITIES, LTD.

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Summary Life Insurance in Canada

Compiled by The Financial Post
Insurance in Force Dec. 31, 1940

	Began Business in Can.	Total ($ 000)	Ordinary ($ 000)	Group ($ 000)	New Policies Sold ($ 000)	Total Assets ($ 000)
Sun	1871	2,963,709	2,448,801	514,907	169,509	950,794
Canada	1847	805,704	698,078	107,625	62,000	275,583
London*	1874	709,478	448,362	50,412	‡100,023	143,815
Great-West	1892	606,493	606,493	......	40,105	173,512
Mutual of Can.	1870	586,019	561,603	24,416	43,395	196,605
Manufacturers	1887	582,089	569,614	12,018	47,610	190,068
Confederation	1871	419,849	380,629	39,220	37,217	135,044
Imperial	1897	282,892	282,892	......	18,015	96,177
North American	1881	226,533	226,533	......	23,338	67,969
Crown	1901	220,400	......	......	29,910	49,906
Dominion	1889	188,368	182,301	6,067	15,877	46,503
Excelsior	1890	116,414	116,410	......	12,468	24,818
Monarch	1906	61,599	61,599	......	7,712	15,706
National	1899	60,863	59,149	1,714	5,916	13,444
Montreal	1910	54,222	45,909	8,313	8,213	8,311
Northern	1897	51,981	49,258	2,723	6,300	11,714
Sauvegarde	1903	48,542	48,542	......	7,562	7,022
Continental	1899	42,691	42,691	......	5,323	10,617
Equitable of Canada	1920	41,375	41,375	......	2,851	12,695
Empire	1923	38,682	38,659	23	3,951	10,131
Sovereign	1903	34,587	34,587	......	5,628	8,020
T. Eaton	1920	32,147	32,147	......	2,713	9,713
Industrial	1905	25,243	7,403	......	9,330	2,506
Maritime	1912	17,716	17,584	132	1,750	3,311
Dom. of Canada	1887	†14,522	14,256	266	2,682	2,261
Commercial	1913	10,413	8,208	2,205	1,787	......
Toronto Mutual	1935	8,832	3,293	......	1,930	1,672
Saskatchewan	1914	8,108	8,022	86	678	1,953
Western Life	1911	7,056	7,056	......	2,016	1,264

‡After deducting reinsurance. †Including annuities.
*The London Life total includes $210 millions of industrial.

Decline In Interest Return Hits Policy Dividends

Of Canadian life insurance companies reporting the rate of interest earned on their invested assets in 1940 a decline is shown by 19.

This widely shown recession in interest earnings is the latest instance of the downward trend in interest rates that has been in evidence for some years.

In 1929 the average interest return on life insurance investments was 6.48%. In 1940 it is estimated to be under 4.25% or lower.

Since 1929 the rate has moved lower in every year except 1934 and 1937 when minor recoveries were seen. In 1938, the last year for which an official figure is available, the rate was 4.32%. In 1939 17 of the 29 companies had a lower rate than in 1938.

This decline in interest rates, which in 1940 is estimated to be well in excess of 2.40% from 1929, when calculated in terms of dollars, means considerable to every policyholder.

On total investments of, say, $1.8 billion, a decline of 2.40% in interest rates means there was $43.2 millions less earnings than there would have been in 1929 on similar total investments. This explains why policy dividends have been reduced in recent years and why premium rates are tending to rise.

Continental Life

Insurance in force with the Continental Life Insurance Co. at the end of 1940 amounted to $44.3 millions, an increase of almost $2 millions over the previous year. New insurance issued and total assets also were higher.

In addition to the insurance in force shown, the company has 113 immediate annuity contracts providing total annual payments to annuitants of $38,169.

Officers—
Sidney Jones, chm. of board; J. W. Hobbs, pres.; Dr. H. W. Aikins, vice-pres.; N. J. Lander, man. dir.; James Hunter, actuary; George Hunt, sec.

Directors—
Representing shareholders: Dr. H. W. Aikins, Sidney Jones, J. W. Hobbs, N. J. Lander, T. D'Arcy Leonard, J. A. Rowland, K.C., all of Toronto; Sir George Garneau, Quebec; C. T. McHattie, Vancouver.
Representing policyholders: E. E. Sharpe, Winnipeg; Lorne Ardiel, J. T. Richardson, G. H. Muntz, all of Toronto.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	1,462,367	8,524	1,726
1917	2,372,890	12,031	2,075
1922	3,656,247	20,128	3,192
1927	5,650,119	32,779	5,069
1932	7,722,928	37,433	3,733
1936	8,817,441	38,370	*5,227
1937	9,139,241	40,122	*5,913
1938	9,697,333	41,706	*5,646
1939	10,124,983	42,413	*5,168
1940	10,617,517	44,301	*5,578

*Includes deferred annuities.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	3,831,992	29,844,423
Non-participating	1,491,908	12,773,206
Group	......	73,000
Totals 1940	5,323,900	42,690,629
1939	4,926,984	41,007,066

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	19.77	17.54	16.59	17.67
Municipal	12.33	12.46	12.25	12.54
Other	14.27	12.53	12.89	10.65
Total	46.37	42.53	41.73	40.86
Mortgages:				
Farm	.12	.16	.16	.17
Urban	18.37	19.75	21.29	24.31
Total	18.49	19.91	21.45	24.48
Policy loans	12.14	13.25	14.10	14.91
Stocks:				
Preferred	3.29	3.58	3.45	2.78
Common	9.11	8.42	7.49	7.24
Real estate (including company's head office)	9.24	9.56	9.51	8.36
Other	1.36	2.75	2.27	1.37
Total	35.14	37.56	36.82	34.66

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance) 4.74% gross (4.51% net).
Consideration received from annuities, 1940 .... $ 51,009
Foreign business less reinsurance:
Amount in force, Dec. 31/40 717,981
New business effected 89,635
Death claims paid: 1940 135,970
1939 184,452
(Reinsurance deducted).

T. Eaton Life

Business in force with the T. Eaton Life Assurance Co. at the end of 1940 was $32.1 millions exclusive of annuities. This was a gain of $1 million over the previous year. Including annuities business in force amounted to $33.8 millions up $1.3 million on the same basis. Total assets at $9.7 millions were also higher. New insurance effected during the year, exclusive of annuities, increases and revivals, was slightly lower than in the previous year. The company began business in 1920. Payments to living policyholders, annuitants, etc., in 1940 were $313,759.

Officers—
R. Y. Eaton, pres.; J. J. Vaughan, 1st vice-pres.; J. D. Eaton, 2nd vice-pres.; J. A. Livingstone, mgr. and sec.-treas.; A. E. Harkness, A.A.S., actuary.

Directors—
Shareholders' directors — R. Y. Eaton, J. J. Vaughan, J. D. Eaton, Lady Eaton, Mrs. J. S. Burnside, J. A. Livingstone, T. C. Eaton, all of Toronto.
Policyholders' directors—J. Elliott, J. G. McKee, T. C. Musgrave, all of Toronto; C. H. Boothe, Hamilton; F. B. Walls, Montreal; R. S. McCordick, Winnipeg.

Capital—Authorized $500,000
Subscribed 250,000
Paid-up 250,000

Growth of Business

Year	Assets $	Business* in Force ($ 000)	New Ins. Paid for ($ 000)
1922	331,810	1,848	685
1927	1,413,351	12,903	4,351
1932	1,452,397	26,203	2,531
1936	6,710,872	28,386	2,871
1937	7,343,145	29,850	2,914
1938	8,004,126	31,106	2,925
1939	8,759,648	32,558	3,003
1940	9,713,188	33,885	2,713

*Including annuities.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	234,894	6,125,804
Non-partic.	2,015,729	26,020,798
Totals. 1940	2,250,623	32,146,602
1939	2,554,561	31,097,367

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	49.4	46.4	43.8	35.8
Municipal	2.0	1.1	1.4	2.2
Other	2.6	2.9	4.9	11.3
Total	54.0	50.4	50.1	49.3
Mortgages:				
Farm	...	...	...	...
Urban	23.1	23.5	22.8	21.6
Total	23.1	23.5	22.8	21.6
Policy loans	9.2	9.4	10.8	10.2
Stocks:				
Preferred	.8	1.0	2.0	1.6
Common	6.4	6.5	7.5	9.0
Real estate	1.5	1.3	2.1	2.8
Other	5.0	7.9	5.5	5.5
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance) ... 4.52%
Consideration received for annuities, 1940 .... $ 93,510
Death claims paid: 1940 159,931
1939 167,270

Excelsior Life

The Excelsior Life Insurance Co., with head office at Toronto, in 1940 showed an increase of $3.3 millions of insurance in force.

This result was achieved although new insurance effected during the year showed a slight decrease.

The company on Oct. 15, last, completed its 50th year of operation. Its charter was granted in 1889 and the company began business in 1890. In 1897 it obtained its Dominion license.

The company's assets at the close of 1940 were $1.2 million higher than at the end of previous year.

Officers—
Alex. Fasken, K.C., pres.; J. L. Ross, 1st vice-pres.; G. R. Warwick, 2nd vice-pres.; C. P. Muckle, sec-treas.; A. W. Johnston and G. P. Thomson, joint actuaries; C. Q. Parker, investment mgr.; T. O. Cox, manager of agencies; A. P. Johnston, acct.; W. E. Ferguson, medical referee; M. S. Crockford, sales promotion manager.

Directors—
Representing shareholders: Alex. Fasken, J. L. Ross, S. F. Duncan, E. P. Taylor, H. S. Gooderham, Hon. Albert Matthews, Toronto; G. E. Weir, Dresden, Ont.; G. S. Kilbourn, Owen Sound.
Representing policyholders: G. R. Warwick, C. C. Calvin, K.C., Toronto; Hon. P. F. Casgrain, K.C., Montreal; J. W. Spencer, Victoria.

Field of Operations—Canada.

Growth of Business

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1912	2,855,070	16,718	2,631
1917	4,593,716	21,079	5,114
1922	8,080,259	48,412	7,336
1927	12,327,152	76,387	11,716
1932	19,019,349	94,631	10,186
1936	20,769,061	98,220	14,685
1937	21,595,777	106,003	16,756
1938	22,504,904	110,225	15,623
1939	23,683,987	113,126	13,707
1940	24,818,436	116,414	12,468

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	8,724,338	72,181,399
(b) Non-partic.	3,743,835	44,228,507
Industrial	......	4,180
Totals 1940	12,468,173	116,414,086
1939	13,706,998	113,126,478

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	45.9	40.5	39.4	36.7
Municipal	8.5	9.5	11.4	12.4
Other	8.5	10.6	9.9	9.2
Total	62.9	60.6	60.7	58.2
Mortgages:				
Farm	1.6	1.8	2.0	2.2
Urban	11.5	12.8	14.0	14.9
Total	13.1	14.6	16.0	17.1
Policy loans	13.0	14.0	15.1	16.4
Stocks:				
(a) Preferred	1.6	1.3	.8	..
(b) Common	3.5	2.8	1.8	..
Real estate	3.8	4.3	4.8	5.1
Other	2.1	2.4	.8	.6
Total	100.0	100.0	100.0	100.0

Monarch Life

Increases in new business effected, business in force and total assets are shown by the Monarch Life Assurance Co. of Winnipeg for 1940. This company at the end of 1940 had business in force amounting to $61.5 millions, with assets of $15.7 millions.

The major part of new investments made in 1940 was in securities of the Dominion Government.

Officers—
E. J. Tarr, K.C., LL.D., pres.; W. L. Parrish, vice-pres.; G. C. Cumming, gen. mgr.; Walter Bartholomew, asst. gen. mgr.; Darrell Laird, F.A.S., actuary; G. J. Telfer, sec.

Directors—
Representing shareholders: R. J. Gourlay, W. L. Parrish, E. J. Tarr, K.C., G. H. Stewart, J. A. Flanders, W. T. Gwynn, all of Winnipeg.
Representing policyholders: A. O. Marrin, D. H. Hudson, J. E. Woods, Winnipeg.

Capital—Authorized $2,000,000
Subscribed 996,600
Paid-up 162,420
Dividends Paid—$1.20 per annum.

Growth of Business

Year	Assets ($ 000)	†Business in Force ($ 000)	†New Ins. Paid for ($ 000)
1928	8,045	57,542	8,280
1929	9,001	61,569	7,656
1930	10,070	63,901	6,944
1931	10,373	61,148	6,025
1932	10,692	56,347	4,903
1936	12,635	55,887	6,231
1937	13,400	55,632	*7,815
1938	14,094	56,962	*7,042
1939	15,008	59,231	7,580
1940	15,706	61,599	7,713

*New business placed.
†Including deferred annuities prior to 1937.

Classes of Business Written

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
Participating	6,062,843	46,790,474
Non-participating	1,649,813	14,808,860
Totals 1940	7,712,656	61,599,334
1939	7,579,918	59,230,815

*Paid for, exclusive of increases, revivals and annuities.

Analysis of Invested Assets

	1940 %	1939 %	1938 %	1937 %
Bonds:				
Government	9.9	6.8	8.4	6.7
Municipal	...	...	1.8	3.7
Other	33.1	32.5	25.3	22.3
Total	43.0	39.3	35.5	32.7
Mortgages:				
Farm	15.7	16.8	18.6	20.7
Urban	8.7	9.5	10.5	12.3
Total	24.4	26.3	29.1	33.0
Policy loans	12.8	13.3	14.8	15.7
Stocks:				
Preferred	7.2	7.5	7.2	10.6
Common	6.0	5.6	4.7	
Real estate	4.8	6.5	7.2	6.7
Other	1.8	1.5	1.5	1.3
Total	100.0	100.0	100.0	100.0

Interest earned on invested assets, 1940 (on net mean ledger assets as reported to Dominion dept. of insurance) ... 5.21%
Consideration received from annuities $184,889
Death claims paid:
1940 287,298
1939 250,054

Mutual, Australia

The Mutual Life and Citizens Assurance Company of Australia has been operating in Canada since 1913 with head office at Montreal.

It began business in Sydney, Australia in 1887 under the name of the Citizens Life Assurance Co. It began with an established business by buying the industrial business of the City Mutual Life Insurance Company. The name was changed to the present form in 1907.

It has, in the past, written industrial as well as ordinary insurance.

Early last year, however, it gave notice that it was entirely discontinuing writing new business in Canada, but would continue to service insurance still on the books in the Dominion.

Accordingly the total volume of new business effected in 1940 was considerably smaller than in the year before. Business in force in Canada at Dec. 31, was $29.3 millions.

Assets amounted to $7.1 millions.

The company's business as a whole shows total insurance in force amounting to $434 millions, with new ordinary insurance effected during the year of $40.8 millions.

Head Office—Sydney, N.S.W., Australia.
Head Office for Canada—Montreal.

Officers—
Managing director, Arthur Eedy; general secretary, M. C. Alder; actuary and secretary, H. Vaughan; chief agent in Canada, J. P. Moore.

Classes of Business Written (Canada only)

	Effected* 1940 $	Business in force Dec. 31/40 $
Ordinary Business—		
(a) Participating	200,915	12,518,052
(b) Non-partic.	65,850	870,736
Industrial	610,146	15,925,979
Totals, 1940	876,911	29,314,767
1939	4,103,485	32,830,119

*Paid for exclusive of increases, revivals and annuities.

Growth of Business (In Canada)

Year	Assets $	Business in Force ($ 000)	New Ins. Paid for ($ 000)
1936	8,377,055	30,751	5,235
1937	8,326,318	31,583	4,884
1938	8,271,008	32,088	4,174
1939	7,463,770	32,830	4,103
1940	7,110,591	29,314	876

Death Claims Paid*: 1940 .... $184,389
1939 143,728
*Canadian branch only.

Entire Operations

Year	Assets ($ 000)	Total business in force ($ 000)	New ordinary insurance effected ($ 000)
1935	117,174	307,438	23,549
1936	122,488	335,169	34,297
1937	130,791	369,474	39,703
1938	137,361	401,801	40,067
1939	146,843	434,641	40,822

Interest Earned (%):

	1939	1938	1937	1936	1935
Indust. branch	4.90	4.84	4.84	4.87	4.86
Ord. branch	4.93	5.00	4.95	5.00	4.97

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What's the Matter With Rent Control?

—Rent peggers ignore production costs and discard advance studies of situation.

—Some rents fixed lower than rate prevailing at outbreak of war.

—Private building thwarted, Government housing project formed.

By W. BRUCE MacKINNON
Staff Writer, The Financial Post

Rent control to date has fallen far short of winning any general popularity.

Landlords dislike it because it has frozen their income, in many cases at depression levels. Mortgagees dislike it because it has soured some of their investments for "the duration."

Municipal finance experts dislike it because it threatens to force lower assessment values in areas where it applies. The building trades dislike it because it has put a crimp in private building to meet the housing shortage.

Even some tenants dislike it because of the legal intricacy of its appeal hearings.

At the same time, all concerned agree that the war should not be made an excuse for rent racketeering nor for repaying capital lost through bad investments in 1929. It is not rent control itself that is disliked. Objections are to the methods and principles at present being applied to the problem.

Problem's Background

Let's go back to the beginning.

About a year ago, complaints began to reach the Government of excessively high rents being charged for housing in regions which had felt an influx of population as a result of the establishment of military camps or war industries. These complaints increased as the year wore on and members of the Wartime Prices and Trade Board were called on to study the problem.

They studied it. They drew up plans showing how, when, where and why housing shortages were likely to develop. They called in officials of the National Housing Act to draw up plans for the control of rents in these areas. Finally, in September, rent control was added to the responsibilities of the Wartime Prices and Trade Board.

Housing is Different

The new responsibility was shouldered somewhat reluctantly. The Board's previous dealings had been in the commodity field, where conditions of supply and demand are considerably more simple than in housing. Butter is butter, the world over, but housing falls into as many categories as there are types of building and residential districts. However, the Board had its studies to help it, and had the plan which the N.H.A. men had worked out.

This plan deserves more publicity than it has received so far.

In the first place, the plan is a vivid contrast to the subsequent actions of the rental administrator; in the second place, it contains elements that will have to be recognized officially if new housing in the congested areas is to be provided by private capital.

The plan recognized the right of a landlord to receive a return on his capital of 6% to 8%, over and above costs of upkeep, taxes, etc. This return was to be based on the replacement value of the property, less depreciation based on its age and condition.. The rate allowed was regarded as the minimum fair return to capital employed in housing. Any lower return would prevent new capital entering the industry.

Higher rentals were to be allowed on new housing projects in shortage areas, with a view to stimulating private building. These rates were to be decided on the particular circumstances of each project, and would not necessarily have been the same in different localities.

Where rents were unsatisfactory to tenants or landlords, appeals would be made direct to Ottawa. For these appeals, a reference date of Jan. 2, 1940, was suggested. If rents were above the figure then applying, the tenant could complain and the landlord would be called on to show that his return on capital was not unreasonable.

The landlord would be required to fill out forms stating the cost of the building, replacement value, age of the property, taxes paid, etc., from which it was thought that the fairness of the current rent could in most cases be immediately determined. In exceptional cases, investigators would have to be sent from Ottawa to enquire into local conditions.

Only historical, though perhaps prophetic, interest attaches to this plan today. An order-in-council, P.C. 5003, Sept. 24, 1940, appointed as Rentals Administrator the Hon. William M. Martin, K.C., a Judge of the Court of Appeal for Saskatchewan. On the advice of the Wartime Prices and Trade Board, Frank W. Nicolls, Director of Housing in the Department of Finance, was seconded to the Board to serve as technical adviser to the Rentals Administrator.

Forgotten and Discarded

On the same day rents were pegged at the Jan. 2, 1940, level in 15 municipalities in Nova Scotia, two in Quebec, 16 in Ontario, one in Manitoba and 3 in British Columbia. Forgotten were the recommendations for allowing a fair return on capital which had been proposed by the National Housing Act planners. Into the discard went the principles of the Wartime Prices and Trade Board under which price pegging is only adopted as a last resort. The most serious mistake, according to critics, was the inclusion of Windsor, Ont., as a pegged district. Here some 4,000 appeals for higher rentals were later entered.

Subsequent orders prevent landlords from entering into mutual agreements with tenants for higher rentals, unless approved by the Rentals Administrator. Appeals for higher rentals by landlords will only be considered if based on "substantial changes" in operating costs such as taxes, interest, heating, wear and tear, etc., since Jan. 2, 1940, or if the property was renting for less than similar properties at that time.

In other words, claims based solely on the need for a reasonable return on capital are automatically rejected. This policy settled the fate of most of the 4,000 appeals in Windsor.

Landlord's Rights

The right of a landlord to terminate a lease has also been severely curtailed. Unless the tenant commits a nuisance, gets behind in his rent, uses the house for immoral purposes, causes the house to deteriorate, etc., or unless the landlord wants to live in his house, alter it, sell it, etc., the lease shall continue in effect if the tenant so desires.

When areas are brought under the rent peg, dates for rental appeals are set. For example, the original order gave to Dec. 31, 1940, a period of three months for the entry of appeals. The time limit does not apply if special considerations arise after the date set, nor is there any time limit whatever in the case of tenants paying more than authorized rentals.

Matter of Appeals

The matter of appeals is handled directly by local committees appointed by the Rentals Administrator. Here again the original plans for rent control have been ignored. Instead of applying initially to Ottawa for redress, landlords and tenants apply to the local committee. As a rule, the chairman of the committee is a local judge, assisted by two other members chosen to represent landlords and tenants, respectively.

Result is that hearings, rather than investigations, are conducted. Cold, factual analysis, as contemplated under the original plan, is not fostered by this arrangement.

Cases have occurred where landlords who have built under the National Housing Act have been prevented from charging rents adequate to meet their mortgage obligations. The way it works out is this:

A landlord might complete a building in, say, the fall of 1939, too late to rent for a full year to the next popular leasing date. He might rent his property at a nominal fee to keep it occupied until it could be leased for a full term. At Jan. 2, 1940, his property might thus be rented at a figure 10% or 20% below the amount required by his National Housing Act obligations. In accordance with rental regulations, he would have no claim for an increase in rent.

A number of landlords' appeals based on such circumstances have been thrown out by local committees, threatening the landlords to default on mortgages guaranteed by the Government.

One more woe of the unloved landlord is that the rent peg was made retroactive to Jan. 2, 1940. If he had been getting a rent higher than that at the peg date, he was forced to repay the difference to the tenant, unless his appeal was successful.

Landlords Squeezed

If landlords were the only group affected by rent control, the above description of some of its features would simply be a record of alleged injustice to a limited class. The fact that the price of housing has been pegged with little or no consideration of the costs of producing housing would be objectionable chiefly as a pronounced discrimination against a single class—hard to justify except on the grounds of political expediency.

Even on these grounds, the method of blanketing specific areas under the rent peg does not allow for the wide range of circumstances affecting different types of housing, even in boom towns.

The inclusion of Windsor under the order has been repeatedly attacked. A survey of 3,375 housing units in Windsor showed that average rent on these units had advanced from $26.82 at the beginning of the war to $27.58 at Oct. 1, 1940, while at Jan. 2, 1940, the average rent for these units was actually below the figure at the outbreak of war.

Depression Legacy

In a number of cases, in order to ensure continued occupancy, houses were still being rented at nominal rates so low as to indicate that the tenant was in effect being employed by the landlord as a caretaker. This was apparently a legacy from the depression, not a result of overbuilding. The Mayor of Windsor has since been seeking the right for the city to enter the housing field to cure an alleged housing shortage.

The theory on which the Wartime Prices and Trade Board has acted in other cases is that where no "tolerable" increase in prices would bring an adequate increase in the supply, prices should be pegged. A rise in rents from $26.82 to $27.58 can hardly be labelled as "intolerable," as implied by the Windsor order.

Basic Symptom

Another reason for rent-pegging is that rent is usually the largest single item in the family budget. To prevent a rise in rents would clearly be a major step in delaying a rise in the cost of living, would help to prevent inflation.

But rising rents are only a symptom of a basic maladjustment. Generally speaking, no landlord can impose "intolerable" rents unless there is a housing shortage. To peg rents removes the symptom, does nothing to cure the underlying shortage.

Moreover, higher than average rents are a natural factor in a congested area to stimulate "doubling-up," by means of dividing houses into flats, increasing the number of rooms which householders are willing to rent. Sufficiently high rents bring an exodus of residents whose lives are not inextricably attached to the town where the shortage has arisen.

Elasticity

Thus, even without new building, there is a considerable elasticity to the amount of housing that can be made available in any given locality. How far rents would have risen before new building was stimulated is difficult to determine, depending largely on local conditions, and the prospect of continued occupancy after the war.

It is undoubtedly true that the boom town of today may be the ghost town of tomorrow, and that few builders are willing to make a 10 to 20-year investment in a locality which may retain its prosperity for only three or four years. But the important fact is that the rent peg automatically slammed the door on whatever steps private enterprise could have taken to solve the housing shortage.

Not only was new building frustrated by the rent peg, but on Oct. 31, 1940, the Government permitted the Home Improvement Plan to terminate. With the disappearance of this plan, assistance to property-owners who wished to convert houses into flats or apartments ended.

Action Delayed

Although the Government had by Nov., 1940, created a stalemate in the housing situation, no steps were taken to provide an alternative solution until Feb. 27, 1941. A new Government company was then set up to supply housing near war factories.

Construction and equipping of plants have gone steadily forward, with no provision made until last week to house the additional workers who will operate the plants. In one Ontario city, where practically no surplus housing exists, 8,000 new jobs are to be available before the end of the year.

U. S. Parallel

The Housing Committee of the Twentieth Century Fund recently published "Housing for Defense," the results of investigation into housing problems which developed in the last war. Their description of the U.S. situation in 1918 sounds like Canada in 1941:

"No advance effort had been made to estimate the housing needs of workers in the war industries. No plans had been made to avoid a housing problem and no information had been collected on which to base a policy. There was no effort to enlist the full resources of the building industry while there was still time for these resources to count. . . . Finally, after severe crises had developed, the Government itself financed and built houses, later to be criticized for doing too well what had been difficult to do at all."

In the United States the housing shortage eventually led to newly constructed shipyards lying idle because there were no houses for workers. Labor turnover reached 500 to 1,000% in plants where inadequate housing caused workers to hold a job for a few days, then quit. It was difficult to get workers to take jobs in war industries where such a heavy sacrifice in living standards was demanded.

Lessons Ignored

The parallel with present conditions falls down on one point. In Canada the housing problem was given advance study, but the conclusions drawn from factual investigation and from past experience were not acted on. In addition, largely to avoid the danger of inflation, the Canadian Government has followed a policy that, whatever its objectives, retarded private solution of the problem.

With the establishment of Wartime Housing Ltd. by the Dominion Government, a solution of housing shortages is imminent. When this organization goes into action the need for further extensions in rent control will be greatly diminished.

Reform of the present system has been frequently urged by property-owners and other associations. Early in March, the Dominion Mortgage and Investments Association submitted a brief to the Wartime Prices and Trade Board, urging the adjustment of the present control to permit a reasonable return to capital. The brief was emphatic on the point that property should not be valued at predepression levels for this purpose, but on replacement values less depreciation. Only through allowing this fair return, the brief stated, could housing be brought into line with other commodities, in which the cost of production is covered by the selling price.

Areas Under Rent Control

NOVA SCOTIA

Armdale	Jollimore
Buckingham	Melleville
Dartmouth	New Glasgow
Dutch Settlement	Stellarton
	Sydney
Fairview Station	Trenton
	Westville
Halifax	

QUEBEC

Beauharnois county, including city of Valleyfield; villages of Bellerive, Nouveau-Salaberry, Ste. Cecile, St. Timothee; and parishes of Grande Isle, Ste. Cecile and St. Timothee.

ONTARIO

Barrie	Parry Sound**
Kingston	Trenton
Ottawa*	Windsor

*Including Eastview, New Edinburgh, Overbrook, Rockcliffe, Woodroffe. **Including Nobel and townships of McDougall and Foley.

MANITOBA

Brandon

ALBERTA

Calgary

BRITISH COLUMBIA

Esquimalt	Oak Bay
Mountain	Prince Rupert
Nanaimo	Vancouver
New Westminster	Victoria
	Wellington
North Vancouver	

M. J. O'Brien Investments Were In Own Company

The estate of the late M. J. O'Brien, Renfrew industrialist and former railroad contractor, consists largely of shares in M. J. O'Brien Ltd., his personal company.

M. J. O'Brien Ltd. developed the Cadillac property of O'Brien Gold Mines Ltd. under the name of Cadillac-O'Brien mine. When the property was taken over by the present company two million shares of O'Brien Gold Mines Ltd. were issued to vendors, presumably all of the vendor stock going to M. J. O'Brien Ltd. Shares in the new company were offered at $1 per share in 1934 and later reached $14.12 in 1936 on the discovery of the high-grade deposit for which the mine is famous.

Interest of the late Mr. O'Brien in M. J. O'Brien Ltd. consisted of 166,000 shares valued at $27.50 each in the inventory of the estate for a total value of $4,565,000. As this is considerably above the present value of two million shares of O'Brien Gold Mines, Ltd., and above the value at the time of Mr. O'Brien's death on Nov. 26, 1940, it is presumed that a substantial portion of the original holding had been sold at higher prices previously.

Total value of the estate was $5,229,020, made up as follows:

Inventory of M. J. O'Brien Estate

Real estate	$ 7,590
M. J. O'Brien Ltd. shares	4,565,000
Book debts & promissory notes	540,931
Life insurance	112,182
Personal effects	3,317
	$5,229,020

Get Arbitration Board at Dom. Engineering

From Our Own Correspondent

MONTREAL.—A Board of Conciliation and Investigation has been set up to deal with a dispute between Dominion Engineering Works and its patternmakers who are members of the Montreal Patternmakers Association. The dispute arises out of a demand by the employees for an increase in wages and recognition of the union.

Personnel of the board follows: Judge Albert Constantineau, Rockland, Ont., chairman; E. Stuart McDougall, Montreal, nominated by the employer; and J. A. McClelland, Valois, P.Q., nominated by the employees.

Newfoundland Fishing Employs Fewer Men

Maximum number of men in the Newfoundland and the Labrador salt cod fisheries for 1940 was 22,792, against 25,220 in 1939, according to the Newfoundland Fisheries Board.

There were 17,005 in-shore fisheries in 1940. The remainder were engaged in Labrador and deep sea fisheries.

NEW APPOINTMENTS ON CAPITAL TRUST BOARD

T. D'ARCY McGEE, K.C. C. H. LaBARGE COL. A. E. KIRKPATRICK

T. D'Arcy McGee, K.C., who has been vice-president of Capital Trust Corporation, Limited, for a number of years, has been elected president, replacing the late John J. Lyons. Mr. McGee, a nephew of the patriot T. D'Arcy McGee, is president of the Ottawa Boys' Club and is active in that philanthropic field. **C. H. LaBarge** was elected vice-president, replacing Mr. McGee. Mr. LaBarge is president of the Chateau Cheese Company, Ltd., and is active in Ottawa community enterprises, being a trustee of the Ottawa Civic Hospital. **Col. A. E. Kirkpatrick**, of Toronto, has been elected a director of the company. Colonel Kirkpatrick is Canadian resident vice-president of the United States Fidelity and Guarantee Company.

To Use Smaller Plants For War Production

A move to speed up and broaden out Canada's war supply production, by using reserve capacity of existing plants for auxiliary, subcontract work, is foreshadowed by the current resurvey and zoning of war industry resources.

Immediate aim of the survey is to pave the way for farming out much of the work being done by primary contractors in the larger plants, to a wide variety of sub-contractors with little or no war work at present. A great many of these will be small plants and machine shops, some of them tucked away in obscure nooks and crannies, while others will be larger factories with reserve capacity.

Many of the parts and components being produced by the primary contractors could be better and more speedily turned out in the auxiliary plants, it is believed. This could be done, sponsors of the plan feel, without dislocating the present setup of industry and disposition of labor supply, and would help overcome the growing scarcity of needed machine tools.

Resort to this method would apparently continue as long as possible, before any move was made to absorb for war purposes industrial capacity being used to meet regular civilian needs. Some headway has already been made, it is understood, in putting what is termed the "bits and pieces" policy into effect, and the present survey aims to extend it.

The practice has greatly widened the use of resources of all plants for war purposes in the British Isles, and a similar policy is being developed for the United States defense programme.

The zoning plan associated with the current survey in Canada is designed chiefly to enable the Munitions and Supply Department and the primary contractors to learn quickly the reserve capacity of each region, especially for sub-contracting or auxiliary work. More broadly, it will provide a quick, directly available source of information—kept up to date by key groups in each territory—as to all of the war production resources in different regions. The combined data from all zones will give a comprehensive picture of essential facilities for Canada as a whole.

Move by Carmichael

This effort to decentralize the war use of machine tools and labor was promoted largely, it is reported, by Harry Carmichael, joint director general of munitions production for the Munitions and Supply Department. Through him the Department enlisted the aid of the Canadian Manufacturers' Association and the Canadian Chamber of Commerce, which are jointly conducting the survey in collaboration with Department officials.

Three sets of information developed by the survey will be assembled, one for use of the Supply Department, one for each industrial zone being organized under the plan, one for the Canadian Manufacturers' Association. The questionnaire being used is closely similar to that sent to U. S. manufacturers by the National Association of Manufacturers and National Industrial Council, in co-operation with W. S. Knudsen, director general of the Office of Production Management.

The survey is slated to be finished by the end of next week. It will show the type of production in which some 9,300 plants are now engaged.

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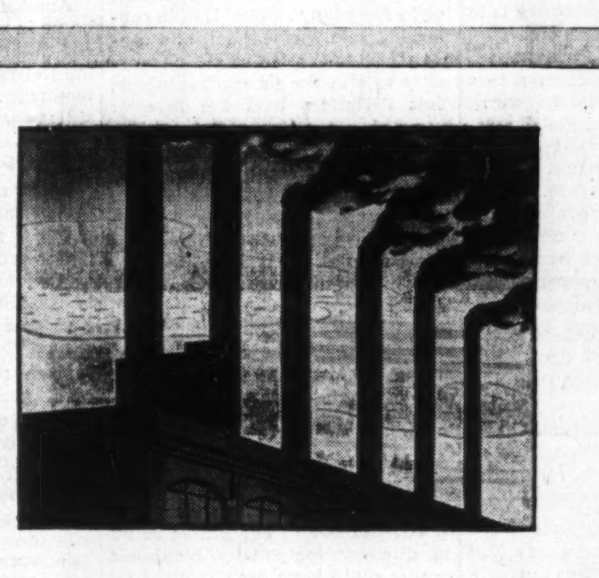

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